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IN THE CIRCUIT COURT OF THE 15TH
JUDICIAL CIRCUIT OF FLORIDA, IN AND
FOR PALM BEACH COUNTY

PARADISE VILLAS (N.P.B.)
CONDOMINIUM ASSOCIATION,
INC.,

CASE NO.:
DIV:
JUDGE:

Plaintiff,

vs.

NORTH PALM BEACH PROPERTIES,
INC., and BANKERS LIFE AND
CASUALTY COMPANY,

Defendants.

COMPLAINT

Plaintiff, PARADISE VILLAS (N.P.B.) CONDOMINIUM ASSOCIATION, INC. (hereinafter referred to as the "ASSOCIATION") hereby sues the Defendants, NORTH PALM BEACH PROPERTIES, INC. (hereinafter referred to as "NORTH PALM"), and BANKERS LIFE AND CASUALTY COMPANY (hereinafter referred to as "BANKERS LIFE") and states:

GENERAL ALLEGATIONS AS TO ALL COUNTS

1. Plaintiff, ASSOCIATION, is a Florida Condominium Association, with its principal place of business in Palm Beach County, Florida, and governed by the provisions of Chapter 718, Florida Statutes, authorized and doing business in Palm Beach County, Florida.
2. Defendant, NORTH PALM, is a Florida for profit corporation with its principal place of business in Hillsboro County, Florida, authorized and doing business in Palm Beach County, Florida.
3. Defendant, BANKERS LIFE, is a Foreign profit corporation with its principal place of business in Illinois, authorized and doing business in Palm Beach County, Florida.

3. Jurisdiction and venue are appropriate as the parties are all doing business in Palm Beach County, Florida and the real property at issue in this action is situate in Palm Beach County, Florida.

4. This is an action for declaratory relief and to quiet title to property that exceeds \$15,000.00 in Palm Beach County, Florida, exclusive of interest, costs, and attorneys' fees.

5. ASSOCIATION owns the following described real property in Palm Beach County, Florida:

That portion of the C-17 located in Section 16, Township 42 South, Range 43 East, said portion of the Canal being Easterly of State Road 5 (which is also Easterly of Government Lot 4), being 40 feet South of and adjacent to Paradise Villas Condominium, a Condominium, recorded in Official Records Book 3232, Page 986, of the Public Records of Palm Beach County, Florida.

PCN: 68-43-42-16-00-004-0020

(hereinafter referred to as the "Submerged Land").

6. ASSOCIATION derails title as follows:

A. Palm Beach Development Co., Inc., conveyed the Submerged Land to BANKERS LIFE AND CASUALTY COMPANY by Warranty Deed dated June 21, 1955, and recorded in ORB 1114, PG 72, in the Public Records of Palm Beach County, Florida;

B. Palm Beach Development Co., Inc., conveyed the Submerged Land to BANKERS LIFE AND CASUALTY COMPANY by Quit Claim Deed dated June 21, 1955, and recorded in ORB 1114, PG 276, in the Public Records of Palm Beach County, Florida;

C. BANKERS LIFE AND CASUALTY COMPANY conveyed the Submerged Land to NORTH PALM BEACH, INC. by Special Warranty Deed dated November

9, 1955, and recorded in ORB 1114, PG 281, in the Public Records of Palm Beach County, Florida;

D. BANKERS LIFE AND CASUALTY COMPANY conveyed the Submerged Land to NORTH PALM BEACH PROPERTIES, INC. by virtue of Quit Claim Deed dated November 9, 1955, and recorded in ORB 1114, PG 287, in the Public Records of Palm Beach County, Florida;

E. NORTH PALM BEACH PROPERTIES, INC. conveyed an easement in the Submerged Land to Central and Southern Florida Flood Control District by virtue of an Easement Deed dated November 14, 1956, and recorded in ORB 1163, PG 294, in the Public Records of Palm Beach County, Florida;

F. NORTH PALM BEACH PROPERTIES, INC. conveyed the Submerged Land to BANKERS LIFE AND CASUALTY COMPANY by virtue of Special Warranty Deed dated April 23, 1957 and recorded in the Public Records of Palm Beach County, Florida on April 24, 1957 at ORB 46, PG 573;

G. BANKERS LIFE AND CASUALTY COMPANY conveyed the Submerged Land to Royal American Industries, Inc. by Warranty Deed dated December 22, 1960 and recorded at ORB 717, PG 673 in the Public Records of Palm Beach County, Florida;

H. Royal American Industries, Inc. conveyed the Submerged Land to Royal American Realty, Inc. by virtue of Warranty Deed dated February 10, 19__?? and recorded in ORB 1332, PG 9 in the Public Records in Palm Beach County, Florida;

I. Royal American Realty, Inc. conveyed the Submerged Land to Ira A. Hotchkiss and Alan J. Goldstern by Warranty Deed dated March 20, 1968, and recorded in ORB 1944, PG 1699 in the Public Records of Palm Beach County, Florida.

J. Central and Southern Florida Flood Control District conveyed the Submerged Land to Ira A. Hotchkiss by Quit Claim Deed dated November 7, 1969, and recorded November 18, 1969, at ORB 1765, PG 749, in the Public Records of Palm Beach County, Florida;

K. Ira A. Hotchkiss and Peter A. Hotchkiss, as Co-Trustees, conveyed the Submerged Land to Paradise Villas Development Corp. by Warranty Deed dated January 8, 1980, and recorded on May 8, 1980, at ORB 3208, PG 1662, in the Public Records of Palm Beach County, Florida;

L. Ira A. Hotchkiss and Peter A. Hotchkiss conveyed the Submerged Land by Quit Claim Deed dated January 8, 1980, and recorded in the Public Records on January 8, 1980, at ORB 3208, PG 1657, in the Public Records of Palm Beach County, Florida; and

M. Paradise Villas Development Corp. recorded a Declaration of Condominium of Paradise Villas, the ASSOCIATION's Declaration, dated April 30, 1980, and recorded on May 16, 1980, at ORB 3292, PG 0986, in the Public Records of Palm Beach County, Florida. Declaration describes the Submerged Land as part of the PROPERTY dedicated to the ASSOCIATION.

7. A true and correct copy of the Declaration of Condominium is attached hereto and incorporated by reference herein as **Exhibit 'A'**.

8. By virtue of the Declaration of Condominium attached hereto as **Exhibit 'A'**, the Submerged Land is defined as common elements of the ASSOCIATION.

9. The ASSOCIATION brings this action on its own behalf and on behalf of all of its constituent owners pursuant to § 718.111(3), *Fla. Stat.*, and Rule 1.221, Fla. R. Civ. P.

10. The ASSOCIATION entered possession of the Submerged Land on the date the Declaration of Condominium attached hereto as **Exhibit 'A'**, was recorded, and has continuously maintained possession of the Submerged Land, under a Claim of Title exclusive of any other right, in ASSOCIATION's Claim of Title based upon the Declaration of Condominium attached hereto as **Exhibit 'A'** as well as the Title Chain described in Paragraph 6 above.

11. ASSOCIATION has retained the undersigned law firm to represent it in this matter and agreed to pay same a reasonable fee for their services.

12. ASSOCIATION is entitled to recover its attorneys' fees and costs in this matter pursuant to provisions of Chapter 718, Florida Statutes, as well as the Declaration of Condominium attached hereto as **Exhibit 'A'**.

13. Upon information and belief, NORTH PALM and BANKERS LIFE claim some title or interest in the PROPERTY, which claim casts a cloud on the ASSOCIATION's Title to Submerged Land.

14. ASSOCIATION has performed all conditions precedent to the bringing of this action, or they have been excused by the actions of the DEFENDANTS.

COUNT I – QUIET TITLE / ADVERSE POSSESSION

PLAINTIFF realleges and readopts the allegations contained in Paragraphs 1 through 14 above as if fully set forth here.

15. ASSOCIATION has maintained possession, open, and notorious, and hostile, and adverse to NORTH PALM and BANKERS LIFE for more than seven (7) years prior to bringing this action.

16. In the 1970's, the ASSOCIATION improved the Submerged Land by constructing dock and boat slips upon Submerged Land, which have continuously stood on and been utilized and occupied by ASSOCIATION since the 1970's.

17. In 2001, the ASSOCIATION modified and expanded the dock and boat slip system, and this expansion has continuously stood and been utilized and occupied by ASSOCIATION since 2001.

WHEREFORE, ASSOCIATION demands judgment against NORTH PALM and BANKERS LIFE, quieting title to the Submerged Land in ASSOCIATION, as well as awarding ASSOCIATION's attorneys' fees and costs in bringing this action, and for such further relief as the Court deems just and equitable.

COUNT II – QUIET TITLE / RECORD TITLE

PLAINTIFF realleges and readopts the allegations contained in Paragraphs 1 through 14 and Paragraphs 15 through 17 above as if fully set forth here.

18. ASSOCIATION, by virtue of the Declaration of Condominium attached hereto as Exhibit 'A', and the Title Chain shown above in Paragraph 6, holds fee simple title (through its constituent members) to the Submerged Land exclusive of any claim by NORTH PALM or BANKERS LIFE.

WHEREFORE, ASSOCIATION demands judgment against NORTH PALM and BANKERS LIFE, quieting title to the Submerged Land in ASSOCIATION, as well as award

ASSOCIATION's attorneys' fees and costs in bringing this action, and for such further relief as the Court deems just and equitable.

COUNT III – DECLARATORY JUDGMENT

PLAINTIFF realleges and readopts the allegations contained in Paragraphs 1 through 14; Paragraphs 15 through 17; and Paragraph 18 above as if fully set forth here.

18. As more fully set forth in Paragraphs 5 through 10 and 15 – 16 above, the ASSOCIATION contends that the ASSOCIATION owns and holds fee simple title interest in the Submerged Land.

19. Upon information and belief, NORTH PALM and/or BANKERS LIFE, contend that one or the other or both of these DEFENDANTS hold fee simple title to the Submerged Land.

20. ASSOCIATION therefore is in doubt as to its rights under the Title Chain described in Paragraph 6 above, under its Declaration of Condominium attached hereto as Exhibit 'A', and under the provisions of Chapter 718, *Fla. Stat.*, and under Florida law as to the title to the Submerged Land.

21. There is a legitimate, present, and continuing bona fide dispute between the parties hereto as to the title to the Submerged Land.

22. ASSOCIATION will likely suffer real and substantial harm, for which it lacks an adequate remedy at law, if ASSOCIATION's rights in the Submerged Land are not formally declared by this Court.

WHEREFORE, ASSOCIATION respectfully prays for the following relief:

A. An Order declaring respective rights to the parties hereto;

B. An Order granting ASSOCIATION's supplemental relief declaring that ASSOCIATION owns fee simple title to the Submerged Land;

C. An Order granting ASSOCIATION supplemental relief prohibiting NORTH PALM and BANKERS LIFE from interfering with the operation of the ASSOCIATION's dock and boat slip system or otherwise interfering with the ASSOCIATION's quiet and free enjoyment of the Submerged Land;

D. An Order awarding ASSOCIATION its attorneys' fees and costs in bringing this action; and

E. Any such further relief as this Court deems just and equitable.

DATED: August 4th, 2017.

COHEN, NORRIS, WOLMER, RAY,
TELEPMAN & COHEN
Attorney for Plaintiff
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North Palm Beach, FL 33408
(561) 844-3600 (Tel) / (561) 842-4104 (Fax)
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tlc@fcohenlaw.com

By: /s/ John R. Sheppard, Esq.
John R. Sheppard, Jr., Esq.
Fla. Bar No.: 0867152

Return
To

This instrument prepared by:
Dean Vegosen, Esq.
Lewis, Vegosen, Koepfel & Rosenbach, P.A.
251 Royal Palm Way
Palm Beach, Florida 33480

DECLARATION OF CONDOMINIUM
OF
PARADISE VILLAS
A Condominium

THIS DECLARATION, made this 30 day of April, 1980,
by PARADISE VILLAS DEVELOPMENT CORP., a Florida corporation, herein
called "Developer", for itself, its successors, grantees and assigns.

WHEREIN, The Developer makes the following declarations:

ARTICLE I

INTRODUCTION AND PURPOSE

A. PURPOSE. The purpose of this Declaration is to submit
the lands described in this instrument and improvements on such lands
to the condominium form of ownership and use in the manner provided in
Chapter 718, Florida Statutes, hereinafter called the "Condominium
Act".

B. NAME AND ADDRESS. The name by which this condominium
is to be identified is PARADISE VILLAS, a condominium, and its address
is 104 and 108 Paradise Harbour Blvd., North Palm Beach, Florida
33408.

C. THE LANDS. The lands owned by Developer in fee simple,
which by this instrument are submitted to the condominium form of own-
ership, are the following described lands lying in Palm Beach County,
Florida:

SEE EXHIBIT "A", SHEET "A" ATTACHED HERETO.

ARTICLE II

DEFINITIONS

The terms used in this Declaration and in its Exhibits shall
have the meanings stated in the Condominium Act, Florida Statutes
§718.103 and as follows, unless the context otherwise requires:



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A. ASSESSMENT means share of the funds received for the payment of common expenses which, from time to time, are assessed against the unit owner.

B. ASSOCIATION means PARADISE VILLAS (N.P.B.) CONDOMINIUM ASSOCIATION, INC., which entity shall be responsible for the operation of this condominium.

C. BOARD OF ADMINISTRATION means Board of Directors or other representative body responsible for the administration of the Association.

D. BY-LAWS means the By-Laws of the association as said By-Laws exist from time to time.

E. COMMON ELEMENTS means those items stated in the Condominium Act, and all those areas of "the land" and improvements not included in the units. Common Elements does not include any personal property used in common by unit owners, all of which shall be owned or leased by the Association or on loan to the Association. Common elements shall also include the following:

- (1) The land upon which the improvements described herein are located and any other land included in the condominium property, whether or not contiguous.
- (2) Easements through units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to units and the common elements.
- (3) An easement of support in every portion of a unit which contributes to the support of the improvements.
- (4) Installations for the furnishing of utility services to more than one unit or to the common elements or to a unit other than the unit containing the installation.

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(5) The property and installations in connection therewith required for the furnishing of services to more than one unit or to the common elements.

OF. COMMON EXPENSES means all expenses for which unit owners are liable to the Association as specified in Article VII (B) of this Declaration.

G. COMMON SURPLUS means the excess of all receipts of the Association, including but not limited to assessments, rents, profits and revenues on account of the common elements, over and above the amount of common expenses.

H. CONDOMINIUM means that form of ownership of real property which is comprised of units that may be owned by one or more owners, and there is appurtenant to each unit as a part thereof an undivided share in the common elements. As used herein, the words "the Condominium" refer to PARADISE VILLAS, a Condominium.

I. CONDOMINIUM PARCEL means a unit as herein defined. Each condominium parcel is deemed a separate parcel of real property, the ownership of which is in fee simple. There shall pass with each unit as appurtenances thereto:

- (1) An undivided share in the common elements.
- (2) The exclusive right to use such portion of the common elements as may be provided by this Declaration.
- (3) An exclusive easement for the use of the air space occupied by a unit as it exists at any particular time and as a unit may be lawfully altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.
- (4) An undivided share in the common surplus.
- (5) Such other appurtenances as may be provided herein or by law.

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The owner of a unit is entitled to the exclusive possession of such unit. The owner shall be entitled to use the common elements in accordance with the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of owners of other units.

J. CONDOMINIUM PROPERTY means and includes the lands that are subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the condominium.

K. DECLARATION, OR DECLARATION OF CONDOMINIUM means this document and all exhibits attached hereto which exhibits are, by this reference, made a part hereof, as same may from time to time be amended.

L. LIMITED COMMON ELEMENTS means and includes those common elements which are reserved for the use of a certain unit or units to the exclusion of other units, if any, as may be specified in this Declaration.

M. OPERATION OR OPERATION OF THE CONDOMINIUM means and includes the administration and management of the condominium property.

N. UNIT means a part of the condominium property which is to be subject to exclusive private ownership. The terms unit and condominium parcel are used interchangeably in this Declaration.

O. UNIT OWNER OR OWNER OF A UNIT means the owner of a condominium parcel.

P. MANAGER refers to any person, corporation, organization or partnership which may contract with the Association to manage and maintain the condominium, according to a management agreement, except that the manager shall not, at any time, be deemed to have any authority, privilege or power which the Association may not under this Declaration or the Condominium Act delegate to the manager.

Q. MORTGAGEE OF RECORD means any life insurance company; federal; national or state bank or savings and loan association; union

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pension fund; real estate investment trust; Massachusetts business trust authorized to do business in the State of Florida; agency of the United States government; or other generally recognized institutional lender, who is the holder of any recorded first mortgage lien on the condominium property or any portion thereof, including any unit; or any holder of a mortgage given by the Developer whether said mortgagee is a generally recognized institutional lender or private individual or other party and whether or not the lien of such mortgage is a first mortgage lien.

R. CONDOMINIUM BUILDINGS refers specifically to the buildings shown on the drawings attached hereto as Exhibit A.

ARTICLE III

DEVELOPMENT PLAN AND IDENTIFICATION OF UNITS

A. GENERAL DESCRIPTION OF IMPROVEMENTS. The Condominium consists of two (2) buildings, of five (5) stories each, containing a total of one hundred thirty-eight (138) units, plus a recreation building. The Condominium also consists of parking areas, paved areas, landscaping, swimming pool and other facilities as identified on the drawings attached as Exhibit A.

B. IDENTIFICATION AND DESCRIPTION OF UNITS. Building plans, floor plans, maps, surveys and/or sketches of the condominium property are attached as Exhibit A hereto and they include a graphic description of the improvements thereon identifying each unit by letter, name and/or number so that no unit bears the same designation as any other unit. Attached as Exhibit B hereto is a certificate of a surveyor as required by Florida Statute §718.104 stating that construction of the improvements is complete and that the material within Exhibit A, together with the other provisions of this Declaration, describing the condominium property, is an accurate representation of the location and dimensions of the improvements and that the identification, location and dimensions of the common elements and of each unit can be determined from these materials.

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Each unit shall have as its boundary lines the interior unpainted finished surfaces of the ceiling, floor and perimeter walls.

All bearing walls located within a unit constitute part of the common elements up to the unpainted finished surface of said walls. All non-load bearing walls and partitions within a unit shall be owned by the unit owner. All doors, be they glass or otherwise, which are in the perimeter walls of a unit shall be deemed a part of the unit up to the exterior unfinished surface thereof.

The balconies, terraces, or porches abutting units are limited common elements appurtenant to those units to which they attach, and whose use is restricted to units to which they are appurtenant. The boundary lines of each balcony, terrace or porch attached to a unit are the interior vertical surfaces thereof, and the exterior unpainted finished surface of the perimeter baluster or railing abutting the balcony, terrace or porch.

Each unit includes the individual interests appurtenant to said unit. Each unit also includes all machinery, equipment, apparatus, air conditioning units, conduits, pipes, lines and wires serving only such unit, whether same are located within or without the boundaries of such unit, it being understood that same are owned by the unit owners and are not part of the common elements even if located within the common elements.

C. REARRANGEMENT OF UNITS. The Developer reserves the right to change the interior design and arrangements of all units; to alter the boundaries between units and to increase or decrease the number of units; as long as the Developer owns the units so altered, and to alter the boundaries of the common elements located under roof as long as the Developer owns the units abutting the common elements where boundaries are being altered; however, no such change shall increase the number of units or alter the boundaries of the common elements, except the party wall between any units, without amendment of this Declaration. If the Developer shall make any such changes in

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units owned by the Developer which require amendment of this Declaration, such changes shall be reflected by a recorded amendment to this Declaration together with an amended Exhibit A and surveyor's certificate attached reflecting such authorized alteration of units, and said amendment need only be executed and acknowledged by the Developer and joined in or consented to by all Mortgagees of Record with respect to the altered units, said joinder or consent being in recordable form, with the formalities required for a deed in the State of Florida. If more than one unit is involved, the Developer may reapportion between the concerned units the shares in the common elements appurtenant to the concerned units, together with reapportioning common expenses and common surplus of the concerned units and such altered shares of common elements, common expenses, and common surplus shall be duly noted in the amendment of this Declaration.

D. PARKING. One (1) automobile parking space shall be made available for the exclusive use of each unit owner. The Developer shall assign one (1) specific parking space to each of the unit owners by a separate instrument. The assignment shall not be recorded in the public records of Palm Beach County, Florida. Upon the assignment of a parking space to a specific unit, the unit owner shall have the exclusive right to the use of such reserved parking space without charge therefor by the Association, it being the intention that the cost of maintenance and administration of the reserved parking space shall be included as a part of the common expenses applicable to all units for the purposes of assessment. Upon such assignment, the exclusive right of the owner of the unit to which such assignment is made shall become an appurtenance to such unit in the same manner as the undivided interest in the common elements appurtenant to such unit. No more than one (1) parking space shall be assigned to each unit. The remaining unassigned parking spaces shall be available for use by unit owners, their guests and invitees, subject to rules and regulations which may be promulgated by the Board of Administra-

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tion. The Association shall not have the right to change a parking space designation without consent of the owner of the unit to which the parking space is appurtenant except in the event of emergencies, in which case the Association reserves and has the right to temporarily assign another specific parking space for use by such unit owner until the emergency abates.

ARTICLE IV

OWNERSHIP AND USE OF COMMON ELEMENTS

A. COMMON ELEMENTS. Each of the unit owners of the condominium shall own an undivided interest in the common elements, and the undivided interest, stated as percentages of such ownership in the common elements, is set forth on Exhibit C attached hereto.

The fee title to each unit shall include both the unit and the respective undivided interest in common elements. Said undivided interest in the common elements shall be deemed to be conveyed or encumbered with its respective condominium unit, even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to a condominium unit. Any attempt to separate the fee title to a condominium unit from the undivided interest in common elements appurtenant to each unit shall be null and void. Use of the common elements shall be available to all unit owners, subject to rules and regulations promulgated by the Association and subject further to the provisions regarding parking spaces contained in Article III hereof.

The Association may designate specific storage areas and/or storage rooms for the exclusive use of particular unit owners, subject to regulations promulgated by the Association.

B. LIMITED COMMON ELEMENTS. Limited common elements, shall be owned the same way common elements are owned, shall be transferred the same way common elements are and are subject to the same restriction as are common elements as to separation thereof from the fee simple title to a unit. Use of limited common elements is

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reserved exclusively for unit owners (and their agents, guests and invitees) to whose units the limited common elements are appurtenant, subject to rules and regulations promulgated by the Association.

ARTICLE V

VOTING RIGHTS

At any meeting of the members of the Association, one vote shall be entitled to be cast for each unit, which vote shall not be divisible.

There shall be one person with respect to each unit, who shall be entitled to vote at any meeting of the unit owners. Such person shall be known as the voting member and is hereafter referred to as the voting member. If a unit is owned by more than one individual, the owners of said unit shall designate one of them as the voting member. If a unit is owned by a corporation, one of its officers or employees shall be designated as the voting member. If a unit is owned by a partnership, all of the partners by an appropriate resolution shall designate one of the partners as the voting member. If a unit is owned by more than one trustee, all of the trustees shall designate one of the trustees as the voting member. The By-Laws of the Association shall govern the proceedings to follow in designating an individual as the voting member of the unit.

The provisions of this Article V are identical to those of Article XII of the Articles of Incorporation and shall not be amended unless Article XII of the Articles of Incorporation is also amended so that there shall be no inconsistency between them.

ARTICLE VI

COMMON EXPENSES AND COMMON SURPLUS

The common expenses and any common surplus of the Association shall be shared by and owned by the unit owners in the same percentage proportion as their percentage of ownership interest in the common elements as specified and set forth on Exhibit C. The foregoing ratio of sharing common expenses and assessments and of owning

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common surplus shall remain regardless of the purchase prices of the units, their location, their size or the number of votes each unit is entitled to cast.

ARTICLE VII

ASSESSMENTS

The Association, through its Board of Administration, shall have the power to fix, determine, make and collect, from time to time, assessments, and special assessments, and such other assessments as are provided for by the Condominium Act, this Declaration and the By-Laws.

A. SHARE OF COMMON EXPENSES. Each unit owner shall be liable for a proportionate share of the common expenses and shall share in the common surplus as provided in Article VI and Exhibit C of this Declaration.

B. COMMON EXPENSES INCLUDE. Common expenses shall include, but not be limited to, the following expenses: expenses of administration and management; property taxes and assessments against the condominium property (until such time as the taxes and assessments are made against the condominium units individually, and thereafter, only such taxes and/or assessments, if any, as may be assessed against the condominium as a whole or the common elements or any property owned by the Association); insurance premiums for fire, windstorm and extended coverage insurance on the condominium property and condominium personal property, and public liability insurance and such other insurance as the Association shall deem necessary; legal and accounting fees; management fees; maintenance, repair and replacement expenses (but only as to the common elements, limited common elements, and portions of units, if any, to be maintained by the Association pursuant to this Declaration; and property owned or leased by the Association, except for emergency repairs or replacements to units deemed necessary to protect the common elements and properly chargeable to the individual condominium unit concerned); the creation of reasonable contin-

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agency or reserve requirements for the protection of unit owners and the condominium property (e.g., reserve for replacements, operating reserve to cover deficiencies in collections); all expenses declared to be common expenses by this Declaration; all expenses agreed upon as common expenses by the Association; all other expenses declared by the Board of Administration of the Association to be common expenses; and all expenses for any valid charge against the Condominium as a whole.

Unit owners will pay either directly or indirectly for all of their utility services. Telephone service will be paid for directly or on an individual unit owner basis. Cable television and electronic or automatic security systems, if ultimately supplied to the Condominium and available to unit owners, may be contracted for and paid for directly to the supplier of said service by the unit owners or may be billed directly to the Association and made a part of the common expenses as the Board of Administration shall determine. Electricity and water service for each unit will be paid for directly on an individual unit basis. Electricity and water service for the common areas will be a common expense. Gas service, if any, trash service, and sewer service (storm and sanitary) charges will be assessed as part of the common expenses.

C. NONAVOIDANCE OF ASSESSMENT LIABILITY. The liability for assessments may not be avoided by either the waiver of the use or enjoyment of any common elements or by the abandonment of the unit against which the assessment is made.

D. INTEREST; APPLICATION OF PAYMENTS. Assessments and installments on such assessments shall be paid on or before ten (10) days after the date when such assessments and installments are due. Any assessment or installment not paid within ten (10) days of its due date shall be delinquent and the unit owner shall be charged interest at the highest rate allowed by law on the unpaid assessment or installment on such assessment. Any such interest shall be calculated from the date when the assessment or installment was first due until

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the date it is paid. All payments upon account shall be first applied to the interest, if any, and then to the assessment payment first due.

OF. LIEN FOR UNPAID ASSESSMENTS. The Association shall have a lien on each condominium unit and all tangible personal property located within said unit for unpaid assessments, and interest thereon. Said lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorneys' fees including reasonable appellate attorneys' fees incurred by the Association incident to the collection of such assessments or the enforcement of such lien, together with all costs and expenses of suit and all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien shall be payable by the unit owner and secured by such lien. The Board of Administration may take such action as it deems necessary to collect assessments by personal action or by enforcing and foreclosing said lien and may settle and compromise the same if deemed in its best interests. Said lien shall be effective as and in the manner provided for by the Condominium Act and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien and to apply as a cash credit against its bid all sums due, as provided herein, covered by the lien enforced. In case of such foreclosure, the unit owner shall be required to pay a reasonable rental for the condominium unit for the period of time said unit is occupied by the unit owner or anyone by, through or under said unit owner, and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect same from the unit and/or occupant. Suit to recover a money judgment for unpaid assessments may be maintained without waiving the lien securing the same. Upon full payment of all sums secured by the lien, the unit owner shall be

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entitled to a recordable satisfaction of lien to be recorded at the unit owner's expense.

F. NON-LIABILITY OF MORTGAGEE OF RECORD. Where a mortgagee of record, obtains title to a unit as a result of foreclosure of its first mortgage, or where a mortgagee of record accepts a deed to a unit in lieu of foreclosure such acquirer of title, its successors and assigns, shall not be liable for the share of common expenses or assessments by the Association pertaining to such unit, or chargeable to the former unit owner of the unit, which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed in lieu of foreclosure. Such unpaid share of common expenses or assessments shall be deemed to be common expenses, collectible from all the unit owners, including such acquirer, its successors and assigns. Notwithstanding the foregoing, neither a mortgagee of record nor the successors and assigns of a mortgagee of record acquiring title to a unit as a result of foreclosure, shall, during its period of ownership, whether or not the unit is occupied, be excused from the payment of any of the common expenses or prorata portion thereof coming due during the period of such ownership.

G. LIABILITY WHILE OWNER. No party who acquires an interest in a unit, except through foreclosure of an institutional first mortgage of record as specifically provided in the paragraph immediately preceding, including, without limitation, persons acquiring title by operation of law, including purchasers at judicial sales, shall be entitled to occupancy of the unit or enjoyment of the common elements until such time as all unpaid assessments due and owing by the former unit owners have been paid.

H. ASSIGNMENT OF LIEN BY ASSOCIATION. The Association acting through its Board of Administration, shall have the right to assign its claim and lien rights for the recovery of any sums due under this Declaration to the Developer, or to any unit owner or group of unit owners, or to any third party.

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I: LIABILITY OF DEVELOPER. Except as provided to be contrary in paragraph F above and in this paragraph I, no unit owner may be excused from the payment of his proportionate share of the common expenses unless all units are likewise proportionately excused from such payment. Provided, however, that if Developer holds units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

- (1) Assessment of the Developer as a unit owner for capital improvements;
- (2) Any action by the Association that would be detrimental to the sales of units by the Developer; provided, however, that an increase in assessments for common expenses without discrimination against the Developer shall not be deemed to be detrimental to the sales of units.

Provided, further, that the Developer shall not be liable for any portion of common expenses attributable to costs and expenses, including court costs and attorneys fees, incurred by the Association in any dispute between the Association and the Developer or, for a period of two (2) years after recording of this Declaration, any portion of common expenses not attributable to current expenses (such as reserves and contingencies).

Provided, further, that for a period of time ending thirty six (36) months after recording of this Declaration, during which time the Developer hereby guarantees to each unit owner that the assessments for the common elements imposed upon each unit will not increase over the dollar amount stated in Exhibit C which is attached hereto, Developer is excused from its obligation to pay its share of common expenses on the units owned by Developer, except that Developer hereby obligates itself to pay any amount of common expenses incurred during that period and not produced by the assessment at the level guaranteed on Exhibit C hereto from the other unit owners. Developer reserves the right at any time to terminate the guarantee contained in this

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paragraph, upon which event the Developer shall be liable from that time forward for common expenses on units owned by Developer in the same manner as any other unit owner, subject, however, to the other provisions contained in this paragraph I.

ARTICLE VIII

MAINTENANCE, ALTERATION AND IMPROVEMENT

Responsibility for the maintenance of the condominium property, and restrictions upon its alteration and improvement, shall be as follows:

A. UNITS

(1) By the Association. The Association shall maintain, repair and replace at the Association's expense:

(a) All portions of windows, screens, doors, sliding doors, windows and air conditioning compressors damaged by the elements, acts of God, normal wear and tear or causes beyond the control of the unit owner or unit occupant, or his family members, employees, guests and invitees.

(b) All incidental damage to a unit caused by the aforementioned work or other work performed by the Association.

(2) By the Unit Owner. The responsibility of the unit owner shall be as follows:

(a) To maintain, repair and replace at his expense, all portions of his unit except the portions of his unit to be maintained, repaired, and replaced by the Association. Such shall be done without disturbing the rights of other unit owners. The unit owners shall repair and replace all windows, screens, and sliding doors and all parts thereof damaged or destroyed by the unit owner or

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occupant or his family members, employees, guests or invitees.

(b) Not to do any of the following without prior written consent of the Developer while the Developer still owns and holds any units for sale and, thereafter, without the prior written consent of the Board of Administration: paint or otherwise decorate or change the appearance of any portions of the exterior of the condominium buildings; install or attach any radio or television antenna to or on any part of the condominium buildings; alter, construct or enclose any porches or terraces; attach or install any shutters, awnings, jalousies, sun screens or other additions or fixtures of any kind to or upon any porch, terrace, wall or on or over any windows or doors. Notwithstanding the foregoing, storm shutters may be installed in the event of a storm or hurricane warning and must be removed immediately following the storm, hurricane or warning. In order to assure orderly and uniform installation, the Board of Administration may designate one company or firm as the only company or firm authorized to install storm shutters pursuant to this paragraph. In the event of any improper or unauthorized additions or alterations, the Developer (while there are units held by the Developer for sale) or the Association may enter the premises and remove the same at the unit owner's expense. The Developer or the Association shall have a lien upon such unit for all costs of removal and for all court costs and attorney's fees incurred in the collection thereof. No such

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removal shall take place unless and until five (5) days notice thereof shall have been given to the unit owner demanding that the owner remove the offending alteration within said five (5) day period.

(3) Alteration and Improvement. Except as elsewhere reserved to the Developer, neither a unit owner nor the Association shall make any alteration in the portions of a unit or condominium building that are to be maintained by the Association, or remove any portion of such, or make any additions to them, or do anything that would jeopardize the safety or soundness of the condominium buildings, or impair any easement without first obtaining approval in writing of owners of all units in which such work is to be done and the approval of the Board of Administration. A copy of plans for all such work prepared by an architect licensed to practice in this State shall be filed with the Association prior to the start of work.

B. COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

(1) By the Association. The maintenance and operation of the common elements and limited common elements shall be the responsibility of the Association and the cost thereof shall be a common expense.

(2) Alteration and Improvement. After the completion of the improvements included in the common elements contemplated by this Declaration, there shall be no alteration or further improvement of the real property constituting the common elements without the prior written consent of the Developer while the Developer still owns and holds any units for sale and thereafter by a vote of a majority of the voting members of the

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Association. Any such alteration or improvement shall not interfere with the rights of any unit owners without their consent. The cost of such work shall not be assessed against any mortgagee of record that acquires its title as the result of owning a mortgage upon the unit owned, unless such owner shall approve the alteration or improvement, and this shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. The share of any cost not so assessed shall be assessed to the other unit owners in the shares that their shares in the common elements bear to each other. There shall be no change in the shares and rights of each unit owner in the common elements altered or further improved, whether or not the unit owner contributes to the cost of such alteration or improvements.

(3) Exception. Notwithstanding the foregoing, unit owners shall pay to the Association the cost of repairing common elements which are damaged during the course of and/or as a result of repair or maintenance to any portion of such owner's unit. The Association shall assess a unit owner for all such amounts (as well as any amounts for which a unit owner may be liable under Article XVII (A) hereof) and the Association shall have a lien on the unit owner's unit and all personal property therein for such assessment plus interest, penalties and fees and expenses of collection, including attorneys fees, to the same extent as the lien for assessments for common expenses.

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ARTICLE IX

ASSOCIATION

The operation of the Association shall be by the Association, which is a corporation not for profit organized under the laws of the State of Florida. The Association shall have all the powers and duties set forth in the Condominium Act, as well as all of the powers and duties granted to or imposed upon it by this Declaration of Condominium, Articles of Incorporation, and the By-Laws of the Association. The Articles of Incorporation of the Association are attached as Exhibit D hereto. The By-Laws of the Association are attached as Exhibit E hereto.

A. LIMITATION UPON LIABILITY OF ASSOCIATION. Notwithstanding the duty of the Association to maintain and repair parts of the condominium property, the Association shall not be liable to unit owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be repaired and maintained by the Association, or by improper or faulty workmanship or materials, or by the elements or other unit owners or persons.

B. RESTRAINT UPON ASSIGNMENT OF SHARES IN ASSETS. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit.

C. APPROVAL OR DISAPPROVAL OF MATTERS. Whenever the decision of a unit owner is required upon any matter, whether or not the subject matter of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such owner at an Association meeting, unless the joinder of record owners is specifically required by this Declaration or by law.

D. ALL OWNERS SUBJECT TO DECLARATION. Every owner of a condominium unit whether he has acquired his ownership by purchase, by gift, conveyance or transfer by operation of law, or otherwise shall be bound by the By-Laws of the Association, the Articles of Incorporation of the Association, and by the provisions of this Declaration.

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ARTICLE X

INSURANCE

The insurance, other than title insurance, that shall be carried upon the condominium property (both real and personal) of the Association, and the property of the unit owners shall be governed by the following provisions:

GENERAL. All insurance policies upon the condominium property and the property of the Association shall be purchased by the Board of Administration. The named insured shall be an insurance trustee individually and as agent for the unit owners, (without naming them) and as agent for their mortgagees, as their interests may appear. Provision shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of unit owners. Such policies shall provide that payments by the insurer for losses shall be made to the insurance trustee designated below, and all policies and their endorsements shall be deposited with the insurance trustee. Unit owners may obtain coverage at their own expense upon their insurable interests in their units, their personal property and for their personal liability and living expense. The insurance trustee may be any bank, trust company or mortgagee of record located in Palm Beach County, Florida and allowed by law to act as the insurance trustee as may be approved by the Board of Administration. If permitted by the mortgagee of record holding the largest dollar volume of mortgages on units in the Condominium, the Board of Administration may dispense with an insurance trustee, in which case, the insurance proceeds shall be payable to the Association and the Board of Administration shall perform all the functions of the insurance trustee hereunder.

B. COVERAGE

(1) Liability. The Board of Administration shall obtain public liability and property damage insurance (including but not limited to, hired automobile and

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non-owned automobile coverages) covering all of the common elements of the Condominium and all property of the Association and insuring the Association and the unit owners as its and their interest may appear, in such amounts and providing such coverage as the Board of Administration may determine from time to time, provided that the minimum amount of coverage shall be One Million Dollars (\$1,000,000.00). Where possible, cross liability endorsements will be obtained to cover liabilities of the unit owners as a group to a unit owner. The liability, if any, of the Association to the unit owners shall be insured if such coverage is deemed economically feasible by the Board of Administration.

(2) Casualty Insurance. The Board of Administration shall obtain fire and extended coverage insurance and vandalism and malicious mischief insurance, insuring all of the insurable improvements within the Condominium, including property owned by the Association, in and for the interests of the Association, all unit owners and their mortgagees, as their interest may appear, in a company acceptable to the standards set by the Board of Administration and in an amount equal to the maximum insurance replacement value of the property as determined no less frequently than bi-annually by the Board of Administration. All such insurance shall be in amounts that the insured will not be a co-insurer for more than 20% of the replacement value except under deductible clauses required to obtain coverage at a reasonable cost. The coverage may exclude foundation and excavation costs, that part of the value of each unit occasioned by special improvement not common to units otherwise comparable in construction and finish,

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and all increases in values of units occasioned by alterations, betterments and further improvements made by unit owners. The policies shall state whether the following items (whether supplied or installed by Developer or the unit owners and whether or not built-in equipment) are included within the coverage in order that unit owners may insure themselves if the items are not insured by the Association: air handling equipment for space cooling and heating; service equipment, such as dishwasher, laundry appliances, garbage compactor, refrigerator, oven, stove, water heater; interior fixtures such as electrical and plumbing fixtures; floor coverings except the floor slab; inside paint and other inside wall finishes; and plate glass. All such policies shall be in conformance with the requirements of Florida Statute 218.11(b) or any successor statute.

(3) Workmen's Compensation. The Board of Administration shall obtain workmen's compensation insurance in order to meet the requirements of the law.

(4) Flood Insurance. The Board of Administration shall obtain flood insurance to meet the requirements of federal, state or local law or any regulation enacted pursuant to federal, state or local law.

(5) Other Insurance. The Board of Administration shall obtain such other insurance as it shall determine from time to time to be desirable.

C. INSURER'S WAIVERS. When appropriate and possible, the policies carried by the Association shall waive the insurer's right to:

- (1) subrogation against the Association and against the unit owners individually and as a group;

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(2) the pro rata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk; and

(3) avoid liability for a loss that is caused by an act of the Board of Administration of the Association or by a member of the Board of Administration or by one or more unit owners, and their respective servants, agents and guests.

D. PREMIUMS. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense.

E. INSURANCE TRUSTEE; SHARES OF PROCEEDS. All insurance policies purchased by the Association shall be for the benefit of the Association and the unit owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to the insurance trustee. The insurance trustee shall not, by virtue of being insurance trustee, be liable for payment of premiums or for the sufficiency of policies or for the failure to collect any insurance proceeds. The duty of the insurance trustee shall be to receive such proceeds as are paid and hold the proceeds in trust for the purposes elsewhere stated in this instrument and, in the case of proceeds from insurance for casualty, property damage, theft or other peril for the benefit of the Association, the unit owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the insurance trustee:

(1) Property Owned By Association. Proceeds on account of damage to property owned by the Association shall be held for the Association.

(2) Common Elements. Proceeds on account of damage to common elements and limited common elements shall be held an undivided share for each unit owner, such share

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being the same as the undivided share for each unit owner in the common elements appurtenant to his unit.

(3) Units. Proceeds on account of damage to units shall be held in the following undivided shares:

(a) When the building is to be restored - for the owners of damaged units in proportion to the cost of repairing the damage suffered by each unit owner, which cost shall be determined by the Association.

(b) When the building is not to be restored - an undivided share for each unit owner, such share being the same as the undivided share in the common elements appurtenant to his unit.

(4) Mortgagees. In the event a mortgagee endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the unit owner and mortgagee pursuant to the provisions of this Declaration.

F. DISTRIBUTION OF PROCEEDS. Proceeds of insurance policies received by the insurance trustee shall be distributed to or for the benefit of the beneficial owners in the following manner.

(1) Expense of the Trust. All expenses of the insurance trustee shall be paid first or provision made for such payment.

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(2) Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost of such as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittance to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagees.

(3) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

(4) Certificate. In making distribution to unit owners and their mortgagees, the insurance trustee may rely upon a certificate of the Association made by its President or Vice President and Secretary or Assistant Secretary as to the names of the unit owners and their respective shares of the distribution. The insurance trustee may rely upon its records as to the existence of a mortgagee who is entitled to receive payment jointly with any unit owner. Upon request of any mortgagee the insurance trustee will confirm whether or not said mortgagee is listed in the insurance trustee's files with respect to any particular unit or units.

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ARTICLE IX

RECONSTRUCTION OR REPAIR AFTER CASUALTY

A. LOSS WITHIN A SINGLE UNIT. If loss shall occur within a single unit or units, without damage to the common elements, the insurance proceeds shall be distributed to the beneficial unit owner(s) — remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by said mortgagee. The unit owner shall thereupon be fully responsible for the restoration of the unit whether or not the mortgagee has applied the insurance proceeds to reduce the mortgagee debt.

B. MINOR DAMAGE. Where a loss or damage occurs within a unit or units, or to the common elements or to any unit or units and the common elements or to the property of the Association, but said loss is less than "major damage" as hereinafter defined, it shall be obligatory upon the Association and the unit owner(s) to repair, restore and rebuild the damage caused by said loss. Where such loss or damage involves common elements or Association property and is less than "major damage":

(1) The Board of Administration shall promptly obtain reliable and detailed estimate of costs of repair and restoration.

(2) If the damage or loss is limited to the common elements and property of the Association with no or minimum damage or loss to any individual units, and if such damage or loss to the common elements or property of the Association is less than ten percent (10%) of the then replacement value of the property so insured, the insurance proceeds shall be endorsed by the insurance trustee over to the Association, and the Board of Administration shall promptly contract for the repair and restoration of the damage.

(3) If the damage or loss involves the property of the Association and/or individual units as well as the com-

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mon elements, or if the damage is limited to the common elements alone but is in excess of ten percent (10%) of the then replacement value of the property so insured, the insurance proceeds shall be disbursed by the insurance trustee for the repair and restoration of the property upon the written direction and approval of the Board of Administration. The insurance trustee may rely upon the certificate of the Board of Administration as to the payees and the amounts to be paid from said proceeds. All payees shall deliver paid bills and waivers of mechanic's liens to the insurance trustee, and execute any affidavit required by law or by the Association, and the insurance trustee, and deliver same to the insurance trustee, and the foregoing shall be in such form as any of the aforesaid parties may require. In addition to the foregoing the Board of Administration shall have the right to obtain a completion performance and/or payment bond, in such form and amount, and with a bonding company authorized to do business in the State of Florida, as it determines.

(4) Subject to the foregoing the Board of Administration shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.

(5) If the net proceeds of the insurance are insufficient to pay for the estimated costs of restoration and repair (or for the actual costs thereof if the work has actually been done), the Board of Administration shall promptly, upon determination of the deficiency, levy a special assessment against all unit owners in proportion to the unit owner's share in the common elements, for the portion of the deficiency as is attributable to

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the cost of restoration of the common elements and/or property of the Association, and against each individual unit owner for the portion of the deficiency as is attributable to his individual unit; provided, however, that if the Board of Administration finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to a specific individually damaged unit(s), then the Board of Administration shall levy an assessment for the total deficiency against all of the unit owners in proportion to each unit owner's share in the common elements, just as though all of said damage had occurred in the common elements. Special assessment funds shall, if the damage is in excess of ten percent (10%) of the then replacement value of the insured property, be delivered by the Board of Administration to the insurance trustee, and added by said insurance trustee to the proceeds available for the repair and restoration of the property.

(6) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient but additional funds are raised by special assessment within ninety (90) days after the casualty, so that sufficient funds are on hand to fully pay for such restoration and repair, then no mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

(7) The determination of whether damage is in excess of ten percent (10%) of the then replacement value of the insured property, shall be made by the Board of Administration, whose decision shall be final unless it

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can be established that such decision is arbitrary or capricious.

C. MAJOR DAMAGE. As used in this Declaration, the term "major damage" shall mean loss or damage whereby one-half (1/2) or more of the total unit space in the condominium is rendered untenable, or loss or damage whereby two-thirds (2/3) or more of the total amount of casualty insurance coverage becomes payable. Should such "major damage" occur, then:

(1) The Board of Administration shall promptly obtain reliable and detailed estimates of the cost of repair and restoration thereof.

(2) Thereupon, a meeting of the unit owners shall be called by the Board of Administration, to be held not later than sixty (60) days after the casualty to determine the wishes of the unit owners of the condominium with reference to the abandonment of the condominium project, subject to the following:

(a) If the net insurance proceeds available for restoration and repair are sufficient to cover the costs thereof, so that no special assessment is required, then the condominium property shall be restored and repaired unless two-thirds (2/3) of all the votes of the Association shall vote to abandon the condominium project, in which case the condominium property shall be removed from the provisions of the Act by recording in the public records of Palm Beach County, Florida, an instrument terminating the Condominium, which said instrument shall further set forth the facts effecting the termination certified by the Association and shall be executed by its President or Vice President and Secretary or Assistant Secretary.

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The termination of the Condominium shall become effective upon the recording of said instrument, and the unit owners shall, thereupon, become owners as tenants in common in the Condominium property, and property formerly owned by the Association, i.e. the real, personal tangible, and intangible personal property, and remaining structures of the Condominium, and their undivided interest in the property shall be the same as their undivided interests in the common elements of the Condominium prior to its termination, and the mortgages and liens upon condominium parcels and condominium property shall become mortgages and liens upon the undivided interest of such tenants in common, with the same priority as existed prior to the termination of the condominium.

(b) If the net insurance proceeds available for restoration and repair are not sufficient to cover the costs thereof, so that a special assessment will be required, and if a majority of the total votes of the Association vote against such special assessment and to abandon the condominium project, then it shall be so abandoned and the condominium property removed from the provisions of the Act, and the Condominium terminated, as set forth in the immediately preceding subparagraph (a), and the unit owners shall be tenants in common in the property in such undivided interests and all mortgages and liens upon the condominium parcels shall encumber the undivided interests of such tenants in common, as provided in the immediately preced-

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ing subparagraph (a). In the event a majority of the eligible votes have not been cast against special assessments, the Board of Administration, shall immediately levy such special assessments, and thereupon the Association shall proceed to negotiate, and contract for such repairs and restoration. The special assessment fund shall be delivered by the Board of Administration to the insurance trustee and added by said trustee to the proceeds available for the restoration and repair of the property. The proceeds shall be disbursed by the insurance trustee for the repair and restoration of the property, as provided in paragraph B, (3) above.

(3) In the event any dispute shall arise as to whether or not "major damage" has occurred, it is agreed that a finding made by the Board of Administration shall be binding upon all unit owners unless it can be established that such finding is arbitrary or capricious.

D. SURPLUS. It shall be presumed that the first monies distributed in payment of costs of repair and restoration shall be from the insurance proceeds, and if there is a balance in the funds held by the insurance trustee after the payment of all costs of the repair and restoration, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated herein, except that the part of any distribution to a beneficial owner that is not in excess of assessments paid by such owner into the repair and restoration fund shall not be made payable to any mortgagees.

E. CERTIFICATE. The insurance trustee may rely upon a certificate of the Board of Administration certifying as to whether or not the damaged property is to be repaired and restored. Upon request

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of the insurance trustee, the Board of Administration shall forthwith deliver such certificate.

F. PLANS AND SPECIFICATIONS. Any repair and restoration must be substantially in accordance with the plans and specifications for the original improvements, or as they were last constructed, or according to the plans approved by the Board of Administration. If any material or substantial change is contemplated, the approval of the mortgagee of record holding the largest dollar volume of mortgages on units in the Condominium shall also be required and shall be delivered to the insurance trustee. In the absence of such approval, the insurance trustee may rely upon a certificate from any two (2) officers of the Board of Administration that planned repairs or restoration are in accordance with the original plans and specifications or as the building was last constructed. The written approval of any such mortgagee of record shall not be unreasonably withheld.

G. ASSOCIATION'S POWER TO COMPROMISE CLAIMS. The Board of Administration is hereby irrevocably appointed agent for each unit owner and for each owner of a mortgage or other lien upon a unit and for each owner of any other interest in the condominium property, for the purpose of compromising and settling all claims arising under insurance policies purchased by the Board of Administration and to execute and deliver releases therefor upon payment of claims.

H. MORTGAGEE OF RECORD'S RIGHT TO ADVANCE PREMIUMS. Should the Association fail to pay insurance premiums when due, or should the Association fail to comply with other insurance requirements, the mortgagees of record holding the largest dollar volume of mortgages on units in the Condominium shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance, and to the extent of the money so advanced, said mortgagee shall be subrogated to the assessment and lien rights of the Association as against the individual unit owners for the payment of such items of common expense.

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I. SPECIAL ASSESSMENTS. Once repair or restoration has commenced pursuant to this Article XI, it shall be completed as expeditiously as possible and, if at any time during repair or restoration, or upon completion thereof, the funds for payment of the costs of repair and restoration are insufficient, assessments shall be made as elsewhere provided in this Article XI against the unit owner(s) to provide for payment of such costs.

ARTICLE XII

USE RESTRICTIONS

The use of the condominium property shall be in accordance with the following provisions as long as the condominium exists and the condominium buildings in useful condition exist upon the land:

A. UNITS. Each of the units shall be occupied only by the record owner or owners of the units, their family members, guests, lessees and servants, as a residence and for no other purpose. Where title to a unit is held in a partnership, trust, corporate or other than individual name or names, the unit owner(s) shall, by certificate delivered to the Secretary of the Association appoint a designated family as the primary occupant entitled to use of the unit and name one (1) member of the designated family as the voting member. In such case, no more than one (1) family occupant may be designated at a time unless the Board of Administration consents and no more than two different designations may be in effect in any twelve (12) month period unless the Board of Administration consents. Where title to a unit is held in the name of an individual (with or without spouse) jointly with another individual (with or without spouse) the unit owners may designate the families of both unit owners as the primary occupants entitled to use of the unit but shall, by certificate delivered to the secretary of the Association, designate one of the unit owners as the voting member.

The Board of Administration shall have the right to approve or disapprove each designated family in the same manner as if the

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designated family were a proposed lessee. No unit may be divided or subdivided into smaller units nor any portion sold or otherwise transferred without amending this Declaration to show the changes in the units to be affected. Where title to a unit is held by an individual (with or without spouse) jointly with another individual (with or without spouse) there may be only two (2) such individuals (and spouses) holding title and no more.

B. COMMON ELEMENTS. In order to provide for congenial occupancy of each building, the common elements shall be used only for the purpose for which they are intended in furnishing of services and facilities for the enjoyment of the units.

C. LOUD VEHICLES OR MACHINES. No truck, van, pickup, trailer, tractor, recreational vehicle, or loud or noisy vehicle, machine or device shall be used, operated, stored or parked in any unit, parking area, streets or other portion of the condominium property; provided, however, that this provision shall not preclude the use of delivery trucks or other trucks, equipment or machinery necessary for the maintenance, care or protection of the condominium property.

D. NUISANCES. No nuisance shall be allowed upon the condominium property, nor any use or practice that is the source of annoyance to unit occupants or guests or which interferes with the peaceful possession and proper use of the property by unit owners or lessees. All parts of the Condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No unit owner shall permit any use of his unit or make any use of the common elements that will increase the cost of insurance upon the condominium property.

E. LAWFUL USE. No immoral, improper, offensive or unlawful use shall be made of the condominium property or any property operated by the Association nor any part of it; and all valid laws, zoning ordinances and regulations of all governmental bodies having jur-

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isdiction shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modification or repair of the condominium property shall be the same as the responsibility for maintenance and repair of the property concerned.

F. GUESTS. The owners of units shall be fully responsible for the activities and actions of their guests, invitees and visitors and shall take all action necessary or required to insure that all guests, invitees and visitors fully comply with the provisions of the Declaration of Condominium and all rules and regulations of the Association.

G. CHILDREN. The Association may promulgate reasonable rules and regulations regarding the times and manner of children's use of the common elements, including the recreational facilities.

H. PETS. No unit or portion of the condominium property or any property operated by the Association shall be occupied by any pet animal except dogs, cats, tropical fish or birds in cages as shall be affirmatively approved by the Board of Administration. Any such approval may be terminated at any time by the Board of Administration. All such pets must be carried through the hallways and other common areas. No pet animal shall be allowed to create or cause any disturbance or nuisance of any kind. The owner of any pet animal shall be liable for any and all damage caused by such animal to any part of the condominium property or property operated by the Association.

I. EXTERIORS. No change shall be made in the color or kind of any exterior window, door, storm or hurricane shutter, glass or screen of a unit, except with the prior written consent of the Board of Administration and the Developer as long as any units are held for sale by the Developer. All shutters, and reflective window covering, or other such covering of the exterior doors and windows shall be uniform in color as prescribed by the Board of Administration and the Developer as long as any units are held for sale by the Developer. A unit owner shall not cause anything to be affixed, attached

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to, hung, displayed or placed on the exterior walls, including awnings and/or storm shutters, doors or windows of the building, nor shall a unit owner grow any type of plant, shrubbery, flower, vine or grass outside his unit, nor shall a unit owner place any furniture or equipment, radio, television or lights outside his unit, except with the prior written consent of the Board of Administration, and further, when approved, subject to the rules and regulations adopted by the Board of Administration.

J. REGULATIONS. Reasonable regulations concerning the use of the condominium property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and By-Laws. Copies of such regulations and amendments shall be furnished by the Association to all unit owners upon request.

K. SIGNS. No "For Sale" or "For Rent" signs or other displays or advertising shall be maintained on any part of the condominium property. Notwithstanding anything herein contained, the right is specifically reserved in the Developer to place "For Sale" or "For Rent" signs in connection with any unsold or unoccupied unit he may from time to time own and the same right is reserved to any mortgagee of record which may become the owner of a unit and to the Association as to any unit which it may own.

L. FLOOR COVERINGS - ABATEMENT. All floors in the units except bathrooms and kitchens shall be carpeted or insulated so as to abate the noise which may be created and transmitted to the unit or common areas of the condominium below. In the event the Board of Administration determines that any noise is being transmitted to another unit or to common areas and that such noise is unreasonable, then the owner of such unit shall, at his expense, take such steps as shall be necessary to abate such noise to the satisfaction of the Board.

M. LEASING. After approval by the Association elsewhere required, entire apartments may be rented provided the occupancy is

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only by a lessee and his family, its servants and guests. No rooms may be rented and no transient tenants may be accommodated.

N. DEVELOPER'S SALES OFFICE. As long as Developer owns and holds for sale any unit in the condominium, Developer reserves unto itself, its successors and assigns the exclusive right to the use of any unsold unit, and the office located in the West building or to install a trailer in the parking lot for maintaining a sales office. At all times while Developer maintains the sales office, Developer, its employees, agents, guests and invitees shall have access to the sales office as determined by Developer. Notwithstanding reservation of the use of a sales office by Developer, the cost of repairs and maintenance of the area so used shall be borne by the Association as in the case of all other common elements, unless damage is caused by negligence of the Developer or its agents.

O. PROVISO. Provides, however, that until Developer has completed all of the contemplated improvements and closed the sales of all of the units of the condominium, neither unit owners nor the Association nor the users of the condominium property shall interfere with the completion of the contemplated improvements and the sale, including, but not limited to, maintenance of a sales office, the showing of the property, and the display of signs.

ARTICLE XIII

RESTRICTION ON TRANSFER

In order to maintain a community of congenial unit owners who are financially responsible and thus protect the value of the units, and to maintain the integrity of the Condominium as a Condominium, the transfer of units by any owner other than the Developer shall be subject to the following provisions as long as the Condominium exists, which provisions each unit owner covenants to observe:

A. TRANSFERS SUBJECT TO APPROVAL.

(1) Sale. No unit owner may dispose of a unit or any interest in a unit by sale without approval of the Association except to an existing unit owner.

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(2) Lease. No unit owner may dispose of a unit or any interest in a unit by lease without approval of the Association except to an existing unit owner.

(3) Gift. If any unit owner shall acquire title by gift, the continuance of ownership of the unit shall be subject to the approval of the Association.

(4) Devise or Inheritance. If any unit owner shall acquire title by devise or inheritance, the continuance of ownership of the unit shall be subject to the approval of the Association.

(5) Other Transfers. If any unit owner shall acquire title by any other form of transfer, the continuance of ownership of the unit shall be subject to the approval of the Association unless said unit owner is another unit owner.

B. APPROVAL BY ASSOCIATION. The approval of the Association is required for the transfer of ownership of units falling within the purview of paragraph A of this Article XIII and shall be obtained in the following manner:

(1) Notice to Association.

(a) Sale. A unit owner intending to make a bona fide sale of his unit or any interest in it shall give to the Association notice of such intention, together with the name and address of the intended purchaser, the purchase price and terms, and such other information concerning the intended purchaser as the Association may reasonably require. Such notice at the unit owner's option may include a demand by the unit owner that the Association furnish a purchaser of the unit if the proposed purchaser is not approved; and if such demand is

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made, the notice shall be accompanied by an executed copy of the proposed contract to sell.

(b) Lease. Any unit owner intending to make a bona fide lease of his unit or any interest in it shall give to the Association notice of such intention, together with the name and address of the intended lessee, and such other information concerning the intended lessee as the Association may reasonably require and an executed copy of the proposed lease.

(c) Gift, Devise or Inheritance; Other Transfers.

Any unit owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously considered, shall give to the Association within thirty (30) days of acquiring title to or taking possession of the unit, whichever is earlier, notice of the acquiring of his title, together with such information concerning the unit owner as the Association may reasonable require, and a certified copy of the instrument evidencing the owner's title.

(d) Failure to Give Notice. If the above required notice to the Association is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a unit, the Association at its election and without notice, may approve or disapprove the transaction or ownership. If the Association disapproves the transaction or ownership, the Association shall proceed as if it had received the required notice on the date of such disapproval.

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(e) Application Form. The Association is vested with the authority to prescribe an application form such as may require specific personal, social, financial and other data relating to the intended purchaser or lessee, or as relates to the new owner in the case of a transfer by gift, devise or inheritance, as may reasonably be required by the Association in order to enable the Association to responsibly investigate the intended purchaser, lessee, or new owner within the time limits extended to the Association for that purpose as hereinafter set forth and which application shall be completed and submitted to the Association along with and as an integral part of the notice. Inasmuch as units may be used only for residential purposes and a corporation cannot occupy a unit for such use, if the unit owner, purchaser or lessee of a unit is a corporation, the approval of ownership or of a lease may be conditioned by requiring that all persons occupying the unit be approved by the Association. A reasonable fee may be charged to the transferee of the unit for the purpose of defraying the cost of investigation and the costs associated with granting approval, changing books and records and other matters associated with a transfer. The time limits for approval or disapproval by the Association shall not commence until any such fee is paid.

(2) Certificate of Approval.

(a) Sale. If the proposed transaction is a sale, then within twenty (20) days after receipt of such

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notice and information, the Association must either approve or disapprove the proposed transaction. Such approval or disapproval shall be transmitted to the seller within the aforesaid twenty (20) day period, and failure to do so shall constitute approval of the sale. If approved, the approval shall be stated in a certificate executed by the President or Vice President of the Association, which shall be recorded in the public records of Palm Beach County, Florida, at the expense of the seller or the buyer.

(b) Lease. If the proposed transaction is a lease, then within twenty (20) days after receipt of such notice and information, the Association must either approve or disapprove the proposed transaction. Such approval or disapproval shall be transmitted to the lessor within the aforesaid twenty (20) day period and failure to do so shall constitute approval of the lease. If approved, the approval shall be stated in a certificate executed by the President or Vice President of the Association in recordable form, which, may be recorded in the public records of Palm Beach County, Florida at the expense of the lessor or lessee.

(c) Gift, Devise or Inheritance; Other Transfers.

If the unit owner giving notice has acquired his title by gift, devise or inheritance or in any other manner, then within thirty (30) days after receipt of written notice to such effect from the new unit owner, the Association must either approve or disapprove the continuance of the unit

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owner's ownership of his unit. Such approval or disapproval shall be transmitted to the owner within the aforesaid thirty (30) day period, and failure to do so shall constitute approval of the ownership. If approved, the approval shall be stated in a certificate executed by the President or Vice President of the Association, which shall be recorded in the public records of Palm Beach County, Florida, at the expense of the unit owner. The Association may, but shall have no duty to, approve or disapprove of any such new unit owner until the Association has received the written notice specified in paragraph B(1)(c) of this Article XA above.

C. DISAPPROVAL BY ASSOCIATION. If the Association shall disapprove a transfer of an interest in a unit, the matter shall be disposed of in the following manner:

(1) Sale. If the proposed transaction is a sale and if the notice of sale given by the unit owner did not contain a demand that the Association furnish a purchaser, no sale or transfer shall take place. If the notice of sale given by the unit owner did so demand, then within twenty (20) days after receipt of such notice and information, the Association shall deliver or mail to the unit owner an agreement to purchase the unit concerned by a purchaser approved by the Association (which purchaser may be the Association itself) who will purchase and to whom the unit owner must sell the unit upon the following terms:

(a). The price to be paid shall be the bona fide price stated in the disapproved contract to sell, and a judgment of specific performance of the sale

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may be entered in any court of competent jurisdiction. If a question arises as to whether or not the sale price is a bona fide price, the question shall be resolved by having the price determined by arbitration in accordance with the then existing rules of the AMERICAN ARBITRATION ASSOCIATION, except that the arbitrator shall be two appraisers appointed by the AMERICAN ARBITRATION ASSOCIATION who shall base their determination upon the average of their appraisals of the unit. The cost of the arbitration shall be borne equally by the seller and the purchaser.

(b) The purchase price shall be paid at the purchaser's option in cash or upon the same terms as contained in the disapproved contract of sale.

(c) The sale shall be closed within thirty (30) days after the delivery or mailing of the agreement to purchase, or within ten (10) days after determination of the sale price if such is by arbitration, or on the date specified in the disapproved contract of sale, whichever is later.

(d) A certificate of the Association executed by its President or Vice President approving the purchaser shall be recorded in the public records of Palm Beach County, Florida, at the expense of the purchaser.

(e) If the Association shall fail to provide a purchaser upon demand of the unit owner in the manner provided; or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, the proposed transaction shall be deemed to have

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been approved, and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the public records of Palm Beach County, Florida, at the expense of the seller or the purchaser.

(f) Notwithstanding a timely demand by a selling unit owner under this Article XIII that the Association furnish a purchaser of a unit if it fails to approve a transfer, the Association shall have the right to disapprove a transfer without furnishing a substitute buyer if in good faith it believes the proposed transferee will not occupy the unit for a purpose and use permitted by this Declaration, and the disapproval delivered or mailed by the Association so states.

(2) Lease. If the proposed transaction is a lease and if the notice of lease given by the unit owner shall show demand, then within twenty (20) days after receipt of such notice and information, the Association shall deliver or mail its approval or disapproval of the proposed lease. If the Association disapproves of the lease, the unit owner shall not enter into such lease or provide occupancy to the proposed lessee. If the Association shall fail to provide the notice of its disapproval if demand therefor has been made, the proposed transaction shall be deemed to have been approved and the Association shall so indicate by a certificate as hereinabove set forth. In no event may a unit be leased any more than one (1) time in any twelve (12) month period, except in cases of hardship as determined by the Board of Administration.

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(3) Gifts, Devise or Inheritance; Other Transfers. If the unit owner giving notice has acquired his title by gift, devise, or inheritance, or in any other manner, then within thirty (30) days after receipt from the unit owner of the notice and information required to be furnished, the Association shall deliver or mail to the unit owner an agreement to purchase the unit concerned by a purchaser approved by the Association who will purchase and to whom the unit owner must sell the unit upon the following terms:

(a) The sale price shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement. In the absence of agreement as to price, the price shall be determined by arbitration in accordance with the then existing rules of the AMERICAN ARBITRATION ASSOCIATION, except that the arbitrators shall be two appraisers appointed by the AMERICAN ARBITRATION ASSOCIATION who shall base their determination upon the average of their appraisals of the unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be borne equally by the seller and the purchaser.

(b) The purchase price shall be paid in cash.

(c) The sale shall be closed within thirty (30) days following the determination of the sale price.

(d) A certificate of the Association executed by its President or Vice President and approving the

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purchaser shall be recorded in the public records of Palm Beach County, Florida, at the expense of the purchaser.

(e) If the Association shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the public records of Palm Beach County, Florida, at the expense of the unit owner.

D. MORTGAGE. No unit owner may mortgage the unit or any interest in it without the approval of the Association, except to a mortgagee of record, or to a vendor to secure a portion or all of the purchase price. The approval of any other mortgagee may be upon conditions determined by the Association or may be arbitrarily withheld.

E. EXCEPTIONS.

(1) The foregoing provisions of this Article XIII shall not apply to a transfer to or purchase by a mortgagee of record that acquires its title as the result of owning a mortgage upon the unit concerned; and this shall be so whether the title is acquired by deed from the mortgagor, his successor or assigns, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a mortgagee of record that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires title to a unit at a duly advertised public sale with open bidding provided by law, such as, but not limited to, execution sale, foreclosure sale, judicial

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sale or tax sale. Provided, however, that the limitation of no more than one (1) lease in any twelve (12) month period shall apply to mortgagees of record, purchasers at foreclosure sales, purchasers at duly advertised public sales, and other acquirers of title pursuant to this paragraph 1.

(2) The foregoing provisions of this Article XIII shall not apply in the following instances, while Developer holds any units for sale:

(a) The sale, lease, sublease or mortgage of any unit to Developer, or the sale, lease, sublease or mortgage of any unit by Developer.

(b) Any lease or sublease by the owner of a unit to a party approved by Developer or made through the auspices of the Developer.

F. UNAUTHORIZED TRANSACTION. Any sale, mortgage or lease not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

ARTICLE XIV

AMENDMENT OF DECLARATION

Except as otherwise provided, this Declaration of Condominium may be amended in the following manner:

A. RESOLUTION. A resolution for the adoption of a proposed amendment to this Declaration may be proposed by either the Board of Administration of the Association or by voting members of the Association holding not less than twenty percent (20%) of the votes of Association. Proposed amendments shall be submitted to a vote of the members of the Association. Members not present in person at the meeting at which the vote on the proposed amendment is taken may express their approval or disapproval by proxy executed in the customary corporate manner provided such proxy is delivered to the Secretary at

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the commencement of or prior to the meeting. Except as elsewhere provided, approval of amendments must be either by:

(1) Not less than two-thirds (2/3) of the entire membership of the Board of Administration and by not less than two-thirds (2/3) of the total votes of the membership of the Association; or

(2) Not less than seventy-five percent (75%) of the total votes of the membership of the Association; or

(3) Until the first election of the entire Board of Administration by unit owners other than the Developer, only call of the members of the Board of Administration.

B. PROVISO. Except as provided in this document:

(1) No amendment shall substantially or materially affect any property right of any unit owner or class or group of unit owners created hereunder unless the unit owner(s) so affected shall consent.

(2) No amendment shall either change any unit or the share in the common elements appurtenant to it, or increase the unit owner's share of the common expenses, unless the record title holder of the unit concerned and all record owners of mortgages on such unit shall join in the execution of the amendment.

(3) No amendment shall make any change either in Article XVI entitled "Reserved Rights of Developer" or in any other article which affects the rights of the Developer.

(4) No amendment shall affect any substantive right of a mortgagee of record hereunder, or impair or prejudice the rights or priorities of any mortgages or change the provisions of this Declaration with respect to mortga-

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gees of record without the written approval of all mortgagees of record so affected.

(5) As long as the Developer has title to any condominium unit, no amendment to this Declaration shall be made to this Declaration or any exhibits thereto, unless the Developer shall consent in writing to the amendment which consent may be withheld by Developer for any reason.

(6) The right of the Developer to amend this Declaration of Condominium as reserved in Article III (C) shall not be abridged in any manner by this Article or any article of this Declaration or exhibits hereto.

C. EXECUTION AND RECORDING. Except for amendments the Developer is authorized to make, a copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the public records of Palm Beach County, Florida.

ARTICLE XV

TERMINATION

A. This Condominium may be voluntarily terminated in the manner provided for in the Condominium Act, at any time. In addition thereto, when there has been "major damage", as defined in Article XI, captioned "Reconstruction or Repair after Casualty" this Condominium shall be subject to termination, as provided in said Article XI. In addition thereto, if the proposed voluntary termination is submitted to a meeting of the voting members of the Association, pursuant to notice, and is approved in writing within sixty (60) days of said meeting by two-thirds (2/3) of the total votes of the membership of the Association, and by their mortgagees of record, then the Association, and the approving owners shall have an option to purchase all of the

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parcels of the other owners within a period expiring one hundred and twenty (120) days from the date of such meeting. Such approval shall be irrevocable until the expiration of the option, and if the option is exercised, the approval shall be irrevocable. The option shall be exercised upon the following terms:

(1) Exercise of Option. An agreement to purchase, executed by the Association and/or the record owners of the parcels who will participate in the purchase shall be delivered by personal delivery or mail to each of the record owners of the parcels to be purchased and such delivery or mailing shall be deemed the exercise of the option. The agreement shall indicate which parcels will be purchased by each participating owner and/or the Association, and shall require the purchase of all parcels owned by owners not approving the termination. But the agreement shall effect a separate contract between each seller and his purchaser.

(2) Price. The sale price for each unit shall be the fair market value determined by agreement between the seller and the purchaser, within thirty (30) days from the delivery or mailing of such agreement; and in the absence of agreement as to price, it shall be determined by appraisers appointed by the senior judge of the Circuit Court in and for Palm Beach County, Florida, on the petition of the seller or purchaser. The expenses of appraisal shall be paid by the purchaser.

(3) Payment. The purchase price shall be paid in cash.

(4) Closing. The sale shall be closed within thirty (30) days following the determination of the sale price. Marketable title shall be conveyed by general warranty deed and the cost of documentary stamps and

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surtax on the deed and title insurance premium shall be paid by the Seller.

B. CERTIFICATE. The termination of the Condominium, regardless of the reason for termination, shall be evidenced by a certificate of the Association executed by the President and Secretary or Assistant Secretary certifying as to the fact of the termination, which certificate shall become effective upon being recorded in the public records of Palm Beach County, Florida.

C. AMENDMENT. This section concerning termination cannot be amended without consent of two-thirds (2/3) of the votes of the membership of the Association and mortgagees of record upon units which hold two-thirds (2/3) of such votes.

D. OWNERSHIP AFTER TERMINATION. After termination of the condominium the unit owners shall own the condominium property and all assets and property which were owned by the Association as tenants in common in undivided shares that shall be the same as the undivided shares in the common elements appurtenant to each unit owner's unit prior to the termination.

ARTICLE XVI

RESERVED RIGHTS OF DEVELOPER

Throughout the Declaration of Condominium the Developer has reserved certain rights. The purpose of this Article is to set forth in a convenient manner in one article of the Declaration the various rights reserved by the Developer. This Article is not intended to be a definitive recitation of all of the rights reserved by the Developer, and a failure to include in this Article any rights reserved by the Developer in any other article of this Declaration and exhibits hereto shall have no effect whatsoever on the excluded rights. Likewise, any rights reserved to the Developer in this Article which may not be reserved in any other article of this Declaration and exhibits hereto shall be deemed to be reserved to the Developer and the exclu-

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sion thereof from other articles and exhibits shall have no effect whatsoever on the rights reserved herein.

A. SALE, LEASE AND MORTGAGE. So long as the Developer shall own any units, Developer shall have the absolute right to lease such units for such term or terms as Developer shall determine in its sole discretion or to sell or mortgage such units to any person, firm, corporation, partnership, or other entity upon such terms and conditions as it shall deem to be in its best interest, and as to such lease, sale or mortgage the provisions of Article XIII shall not apply.

B. ALTERATIONS OF UNITS. The Developer reserves the right to change the interior design and arrangement of all units; to alter the boundaries between units; to increase or decrease the number of units; to remove any party wall between any condominium units in order that the said units may be used together as one integral unit; and to subdivide units and construct party walls between the newly subdivided units in accordance with Article III (d). These reservations apply only to units owned by the Developer. The Developer also reserves the right to alter the boundaries of the common elements and limited common elements as long as the Developer owns the units abutting the portions of common and limited common elements as altered. If the number of units is increased or decreased, Developer shall apportion between the units the shares in the common expenses appurtenant to the units concerned. An amendment of this Declaration reflecting any authorized alteration of units or common elements by Developer need be signed and acknowledged only by Developer, and need not be approved by the Association, unit owners, lienors, or mortgagees of units, except mortgagee(s) of the particular unit(s) affected.

C. CONTROL OF ASSOCIATION. The Developer reserves the right to retain control of the Association for the maximum time specified in Florida Statute §718.301. The Developer at all times reserves

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the right to terminate control of the Association prior to the time control must be relinquished as provided in Florida Statute §718.301.

D. BOARD OF ADMINISTRATION. Whenever Developer shall be entitled to designate and select any person or persons to serve on any Board of Administration of the Association, the manner in which such person or persons shall be designated shall be as provided in the Articles of Incorporation and By-Laws of the Association, and Developer shall have the right to remove any person or persons selected by it to act and serve on said Board of Administration and to replace such person or persons with another person or persons to act and serve in the place of any board member(s) so removed for the remainder of the unexpired term of any board member(s) so removed. A board member designated and selected by Developer need not be a resident of the condominium. Any representative of Developer serving on the Board of Administration shall not be required to disqualify himself upon any vote or other matter between Developer and Association where said Developer may have a pecuniary or other interest.

E. AMENDMENT OF DECLARATION. No amendment to this Declaration may be made without the Developer's consent as long as the Developer holds title to any unit within the Condominium.

F. VOTING MEMBERS. Developer need not designate a voting member for any unit which Developer may cast votes for at a meeting of the Association. Votes for the Developer may be cast by any corporate officer, employee or agent.

G. RIGHT OF ENTRY. The Developer has reserved the right of entry on, over and across the condominium property and the right to cause maintenance, replacement and repair to be made at the expense of the Association in accordance with Article XVIII (J).

H. APPROVAL OF CONTRACTORS AND IMPROVEMENTS. Developer reserves the right while Developer holds any unit for sale to approve plans for any repairs, improvements or alterations to be made to any unit or to the common elements by a unit owner or the Association; to

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approve the contractor hired to perform such work; and to inspect and examine such work (prior to closing of walls if any are opened) and to levy a reasonable charge against the Association or a unit owner, as the case may be, for the cost to Developer of hiring an architect or engineer to review plans or make inspections.

I. LIABILITY FOR ASSESSMENTS. Generally speaking, the Developer is liable for assessments on the unsold units except that, in accordance with Article VII(I), the Developer may not be assessed for capital improvements and no action may be taken by the Association that would be detrimental to the sales of units by the Developer. Additionally, Article VII(I) allows the Developer to be excused from payment of assessments for 36 months as long as a guaranteed level of maintenance on other units is maintained and exempts Developer from any portion of common assessments attributable to expenses incurred by the Association arising out of any dispute with the Developer and from any portion of common expenses not attributable to current expenses.

J. RIGHT TO RESTRICT ACCESS. During such time as the Developer is in the process of construction on any portion of the condominium property, Developer reserves the right to prohibit access to any such portion of the condominium property to any of the unit owners and occupants of the Condominium and to utilize various portions of the common elements in connection with such construction and development. No unit owner or occupant shall in any way hamper or interfere with the Developer or its agents, contractors or employees in connection with such construction.

K. SALES OFFICE. Developer reserves the right to maintain a sales office, show prospective purchasers and lessees the property and display signs on the condominium property in accordance with Article XII N and no use by unit owners of the condominium property shall interfere with same.

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ARTICLE XVII

COMPLIANCE AND DEFAULT

Each unit owner shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation, and By-Laws and the regulations adopted pursuant to those documents, and all of such as they may be amended from time to time. Failure of a unit owner to comply with such documents and regulations shall entitle the Developer, Association and/or other unit owners to the following relief in addition to the remedies provided by the Condominium Act:

A. NEGLIGENCE. A unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. A unit owner shall pay the Association the amount of any increase in its insurance premiums occasioned by use, misuse, occupancy or abandonment of a unit or its appurtenances, or of the common elements, by the unit owner.

B. COSTS AND ATTORNEY'S FEES. In any proceeding arising because of an alleged failure of a unit owner to comply with the terms of this Declaration, the Articles of Incorporation of the Association, the By-Laws of the Association, any exhibit to this Declaration, or any rules or regulations adopted pursuant to any of the foregoing, and all other such documents, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court including costs and fees on appeal.

C. NO WAIVER OF RIGHTS. The failure of the Developer, Association or any unit owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, the By-Laws or the rules and regulations shall not constitute a waiver of the right to do so thereafter.

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D. ASSOCIATION LIEN. In addition to the lien rights given to the Association for unpaid assessments by the Condominium Act and Article VII(E) hereof, the Association shall have a lien on each condominium unit to secure each and every obligation of the owner of each unit hereunder, together with interest thereon at the maximum rate allowed by law. Such lien shall be effective as and in the manner provided in Article VII(E) for liens for assessments, shall be fore-closable in the same manner as an Article VII(E) lien, shall have the same priorities as an Article VII(E) lien and shall be subject to all other provisions pertaining to Article VII(E) liens.

ARTICLE XVIII

MISCELLANEOUS PROVISIONS

A. PARAMOUNT PROVISIONS. Notwithstanding the fact that the present provisions of the Condominium Act of the State of Florida are incorporated by this reference and included herein, the provisions of this Declaration and exhibits attached hereto shall be paramount to the Condominium Act as to those provisions where permissive variances are permitted; otherwise, the present provisions of said Condominium Act shall prevail and shall be deemed incorporated herein.

B. COVENANTS RUN WITH THE LAND. All provisions of this Declaration and exhibits attached hereto and amendments thereof, shall be construed as covenants running with the land, and of every part thereof and interest therein, including but not limited to every unit and the appurtenances thereto, and every unit owner and occupant of the property, or any part thereof, or of any interest therein, and his heirs, personal representatives, successors and assigns, shall be bound by all of the provisions of this Declaration and exhibits annexed hereto and any amendments thereof.

C. INVALIDITY OF A PART WILL NOT AFFECT THE WHOLE. If any of the provisions of this Declaration, or of the By-Laws, the Articles of Incorporation of the Association, or of the Condominium Act, or any article, section, clause, phrase, word, or the application thereof, in

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DECLARATION

any circumstances is held invalid, the validity of the remainder of this Declaration, the By-Laws and Articles of Incorporation, or the Condominium Act, and of the application of any such provision, action, sentence, clause, phrase or word, in other circumstances, shall not be affected thereby.

D. O. NOTICES. Whenever notices are required to be sent hereunder, the same may, except when specifically provided otherwise, be delivered to unit owners either personally or by mail, addressed to such unit owners at their place of residence in the Condominium, unless the unit owners have, by written notice duly given, specified a different address. Proof of such mailing or personal delivery by the Association shall be given by the affidavit of the person mailing or personally delivering said notices. Notices to the Association shall be delivered by hand or by mail to the Secretary of the Association, and in the Secretary's absence, then the President of the Association, and in his absence, any member of the Board of Administration at either the office of the Association in the Condominium, if there be one, or to such person's residence in the Condominium.

Notices to the Developer shall be delivered by hand or mail to 6431 Cow Pen Road, Miami Lakes, Florida 33014.

All notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice, duly given. Notices required to be given the personal representatives of a deceased owner or devisee, when there is no personal representative, may be delivered either personally or by mail, to such party at his or its address appearing in the records of the court wherein the estate of such deceased owner is being administered.

The change of the mailing address of any party as specified herein, shall not require an amendment to the Declaration.

E. SINGULAR, PLURAL, GENDER. Whenever the context requires or permits, the use of the plural shall include the singular,

DECLARATION

the singular the plural, and the use of any gender shall be deemed to include all genders.

F. CONSTRUCTION OF DECLARATION. The provisions of the Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the Condominium.

G. CAPTIONS. The captions used in this Declaration of Condominium and exhibits annexed hereto, are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of any of the text of this Declaration or exhibits hereto annexed.

H. POSITION OF INSTITUTIONAL FIRST MORTGAGEE. Where an institutional first mortgage, by some circumstances, fails to be a first mortgage, but it is evident that it is intended to be a first mortgage, it shall, nevertheless for the purpose of this Declaration and exhibits annexed, be deemed to be an institutional first mortgage and the holder thereof shall be a mortgagee of record.

I. EASEMENTS. Each of the following easements is hereby reserved to the Developer, the Association and unit owners, as the case may be, and their grantees, successors and assigns, and is a covenant running with the land of the Condominium:

(1) Utility Easements, as may be required for utility services in order to adequately serve the condominium and to adequately serve lands (other than the condominium property) previously, now or hereafter, owned by the Developer which are adjacent to or in the vicinity of the condominium property; provided, however, easements through a unit shall be according to the plans and specifications for the building containing the unit or as the building is actually constructed, unless approved in writing by the unit owner.

(2) Ingress and Egress Easements, for pedestrian traffic over, through and across sidewalks, paths, walks,

DECLARATION

lanes, and common elements as the same from time to time may exist; and for vehicular traffic over, through and across such portions of the common elements as from time to time may be paved and intended for such purposes, but the same shall not give or create in any person the right to park upon any portions of the condominium property except as otherwise provided herein.

(3) Easement for Encroachments. The owners of the respective condominium units agree that if any portion of a condominium unit or common element or limited common element encroaches upon another, a valid easement for the encroachment and maintenance of same, so long as it stands, shall and does exist. In the event a condominium building or buildings are partially or totally destroyed and then rebuilt, the owners of the condominium parcels agree that encroachments on parts of the common elements or limited common elements or condominium units, as aforescribed, due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist.

J.. PROVISIONS FOR DEVELOPER'S BENEFIT. The Developer and its designees shall have the right in its individual sole discretion, at such time as it desires, to enter on, over and across the condominium property, and the further right to use such portion of the condominium property for construction purposes, pursuant to this Declaration. The Association has the duty and obligation to maintain all paved areas, landscaping and common elements within the condominium in first-class condition and should said Association fail to do so, the Developer may give the Association written notice detailing same and in the event the Association does not cause the necessary steps to be taken and completed within thirty (30) days after the date said notice is delivered to it, the Developer shall have the right to enter upon

DECLARATION

the condominium property and cause said maintenance, replacement, and/or repair to be made and the Developer shall have a lien upon the condominium property, including each condominium unit, for the reasonable costs thereof including interest at the highest rate allowed by law and court costs and a reasonable attorney's fee incurred by it in collecting the funds expended by it either in or out of court. The aforesaid lien may be foreclosed in the same manner as mortgages or statutory liens are foreclosed in the State of Florida and shall have the same priorities and effect under this Declaration as a lien for assessments as provided for in Article VII hereof. Where the Association fails to maintain, replace, and repair, as hereinbefore provided, and an emergency situation exists, the Developer may immediately enter upon the condominium property and cause said repair, maintenance, or replacement to be made forthwith and the Developer shall have a lien upon the condominium property and the condominium units contained therein in the same manner and in the amount as hereinbefore provided, which shall also be enforceable as hereinbefore provided. The Developer's rights to enter and cause maintenance, replacement and/or repairs to be made pursuant to this paragraph J shall terminate the earlier of the sale by the Developer of all unsold units in the condominium or five (5) years from the date of recording this Declaration. Nothing herein contained shall obligate the Developer to cause any such maintenance, replacements and/or repairs to be made.

IN WITNESS WHEREOF, the Developer has executed this Declaration the day and year first above written.

PARADISE VILLAS DEVELOPMENT CORP.

BY:

Martin Smart
President

ATTEST:

Ed T. Melby
Secretary
(Corporate Seal)

B3292 P1045

DECLARATION

STATE OF FLORIDA)
COUNTY OF PALM BEACH) SS.

Before me personally appeared MARTIN COMAR and Obed
MARTIN to me well known and known to me to be the individuals
described in and who executed the foregoing instrument as President
and Secretary respectively, of the above named, PARADISE VILLAS
DEVELOPMENT CORP., a Florida corporation, and severally acknowledged
to and before me that they executed such instrument as such President
and Secretary respectively of said Corporation and that the seal
affixed to the foregoing instrument is the corporate seal of the
corporation and that it was affixed to the foregoing instrument by due
and regular corporate authority, and that said instrument is the free
act and deed of said corporation.

Witness my hand and seal this 30 day of April, 1960.

[Signature]
Notary Public, State of
Florida at Large.

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES DEC. 7 1962
BONDED \$100 GENERAL INS. UNDERWRITERS



B3292 P1046

Prepared By:
Dean Vegosen, Esq.
Lewis, Vegosen, Koepfel & Rosenbach, P.A.
251 Royal Palm Way
Palm Beach, Florida 33480

AGREEMENT OF MORTGAGE

FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF BROWARD COUNTY, with an address at 301 E. Las Olas Blvd., Ft. Laud., FL herein called the Mortgagee, the owner and holder of a mortgage upon the real property in Palm Beach County, Florida, described in the Declaration of Condominium to which this Agreement of Mortgage is attached, which mortgage is recorded in Official Record Book 2021, Page 179, public records of Palm Beach County, Florida, hereby subordinates its mortgage interest to the making, execution and recordation of the Declaration of Condominium of PARADISE VILLAS, a Condominium, to which this Agreement is affixed. This Agreement is given pursuant to and in order to comply with the terms and provisions of the Condominium Act of the State of Florida as contained in Chapter 718 of the Florida Statutes, and for the purpose of agreeing that the lien of its mortgage shall be upon the following described property in Palm Beach County, Florida:

All of the Units of PARADISE VILLAS, a Condominium, according to the Declaration of Condominium thereof, TOGETHER WITH all of the appurtenances to the units, including but not limited to, all of the undivided shares in Common Elements.

IN WITNESS WHEREOF, the undersigned has caused this Agreement of Mortgage to be executed by its duly authorized officers this 9TH day of MAY, 1980.

Signed, sealed and delivered in the presence of:

By

David L. Sass, President

Attest

Dorothy P. Ash, Assistant Secretary

STATE OF FLORIDA
COUNTY OF BROWARD

Before me personally appeared David L. Sass and Dorothy P. Ash to me well known and known to me to be the individuals described in and who executed the foregoing instrument above named Agreement of Mortgage and severally acknowledged to and before me that they executed such an instrument as such vice President and Assistant Secretary, respectively of said Corporation and that the seal affixed to the foregoing instrument is the corporate seal of the corporation and that it was affixed to the foregoing instrument by due and regular corporate authority and that said instrument is the free act and deed of said corporation.

WITNESS my hand and seal this 9th day of May, 1980,

Carthia C. Paine
Notary Public
State of Florida at Large

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES DEC 9 1983
BONDED THRU GENERAL INS. UNDERWRITERS

B3292 P1047

EXHIBIT "A"

Annexed to and made a part of
The DECLARATION OF Condominium
of PARADISE VILLAS
A Condominium

NOTES

1. Elevations indicated on the survey materials included within this Exhibit are in feet and refer to USC and GS Datum 1984.
2. "Unit" designates condominium units. "L.C.E." designates limited common elements. All areas not designated are common elements.
3. Dimensions within each Condominium unit are compiled from original plans for the improvements prepared by F. Louis Wolff Associates, Architects and may vary slightly from those shown.
4. No dimensions are given for partitions separating units or for exterior walls. Unit dimensions have been calculated in accordance with the boundaries of the units as defined in Article III of the Declaration.

B3292 P1048

EXHIBIT A

LEGAL DESCRIPTION
OF
PARADISE VILLAS

A parcel of land lying in Section 16, Township 42 South, Range 43 East, Village of North Palm Beach, Palm Beach County, Florida, more particularly described as follows:

Commencing at the intersection of the Easterly right-of-way line of U.S. Highway #1 with the North right-of-way line of Canal C-17 as said intersection is shown on the Plat of Palm Beach Lake Worth Estates recorded in Plat Book 25, page 169, Public Records of Palm Beach County, Florida; thence on an assumed bearing of due East, along said North right-of-way line, a distance of 233.66 to the Point of Beginning; thence continue due East, along said right-of-way line, a distance of 308.97 feet; thence due North, a distance of 82.69 feet; thence due West, a distance of 171.0 feet; thence North 80° West, a distance of 75.48 feet to the beginning of a curve concave to the Northeast, having a radius of 45.0 feet and a central angle of 70°; thence Westerly and Northwesterly, along the arc of said curve, a distance of 54.98 feet to the end of said curve; thence North 10° West, a distance of 62.74 feet to the beginning of a curve concave to the Southwest, having a radius of 20 feet and a central angle of 65°; thence Northwesterly along the arc of said curve, a distance of 22.69 feet to the end of said curve; thence North 75° West, along a line tangent to the preceding curve, a distance of 104.57 feet; thence due West, a distance of 150.88 feet to the beginning of a curve concave to the Northeast and having a radius of 75 feet; thence Northwesterly, along the arc of said curve, and through an angle of 46° 17' 26", a distance of 60.59 feet; thence South 10° 09' 00" East, a distance of 67.20 feet; thence South 37° 27' 47" West, a distance of 189.55 feet; thence South 30° 09' 00" East, a distance of 43.37 feet to the Point of Beginning.

Containing 109,456.53 square feet; 2.51 acres more or less

Together with

A parcel of land lying in Section 16, Township 42 South, Range 42 East, Village of North Palm Beach, Florida, more particularly described as follows:

Beginning at the intersection of the Easterly right of way line of U.S. Highway #1 with the North right of way line of Canal C-17; thence on an assumed bearing of due East, along said North right of way line, a distance of 942.63 feet; thence due South, a distance of 30.30 feet to the face of an existing bulkhead; thence due West, along the face of said bulkhead, a distance of 937.21 feet to the said Easterly right of way line of U.S. Highway #1; thence North 10° 09' West, along said Easterly right of way line, a distance of 30.78 feet to the Point of Beginning, less the West 233.66 feet.

Containing 0.49 acres more or less.

Together with:

A parcel of land lying in Section 16, Township 42 South, Range 43 East, Village of North Palm Beach, Palm Beach County, Florida, more particularly described as follows:

Commencing at the intersection of the North right of way line of Canal C-17 with the Easterly right of way line of U.S. Highway #1 as said intersection is shown on the plat of Palm Beach Lake Worth Estates and recorded in Plat Book 25, page

169, Public Records of Palm Beach County, Florida; thence on an assumed bearing of due East along said North right of way line of Canal C-17, a distance of 233.66 feet; thence North 10°09' West, a distance of 43.37 feet to the Point of Beginning; thence North 33° 28' 37" East, a distance of 18 feet; thence North 23° 11' 00" East, a distance of 78 feet; thence North 37°51'00" East, a distance of 114 feet; thence South 10°09'00" East, a distance of 26.70 feet; thence South 37°27'47" West, a distance of 189.55 feet to the Point of Beginning.

Containing .0676 acres more or less.

Together with:

A parcel of land lying in Section 16, Township 42 South, Range 43 East, Village of North Palm Beach, Palm Beach County, Florida, more particularly described as follows:

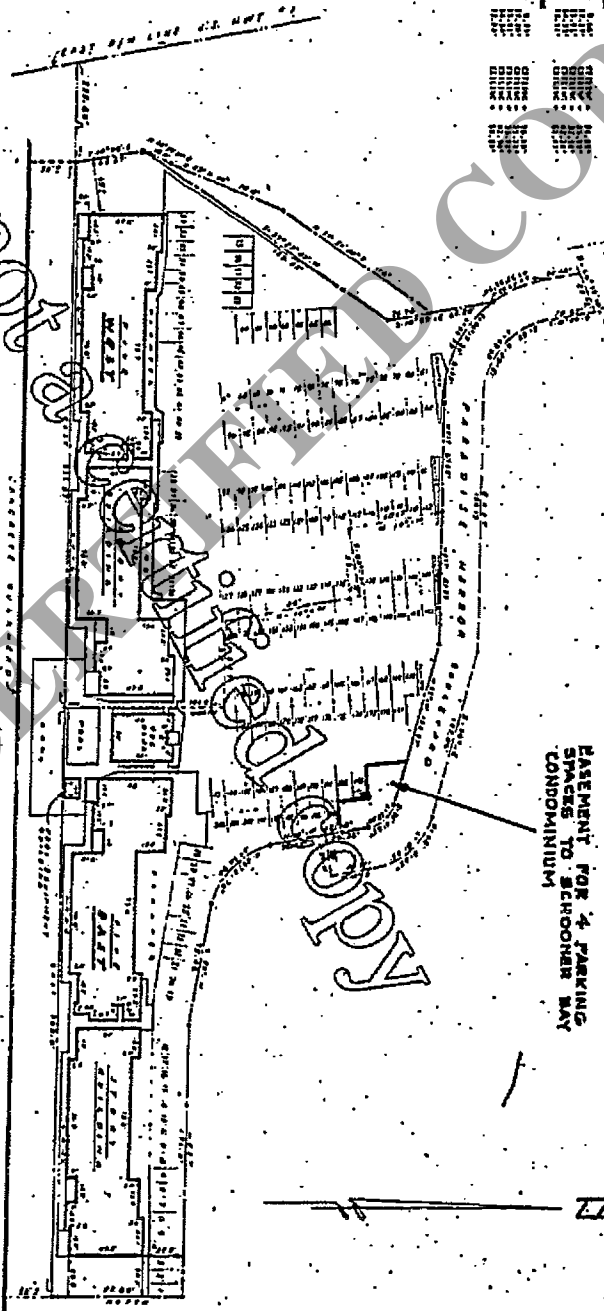
Commencing at the intersection of the Easterly Right of Way line of U.S. Highway No. 1 with the North Right of Way line of Canal C-17; thence on an assumed bearing of due East, along said North Right of Way line, distance of 771.63 feet; thence due North, a distance of 82.69 feet; thence North 80° West, a distance of 107 feet; thence North 10° West, a distance of 62.33 feet to the Point of Beginning; thence continue North 10° West, a distance of 26.32 feet to the beginning of a curve concave to the Southwest, having a radius of 20 feet and a central angle of 65°; thence Northwesterly, along the arc of said curve, a distance of 22.69 feet to the end of said curve; thence North 75° West, a distance of 104.57 feet; thence due West, a distance of 150.88 feet to the beginning of a curve concave to the Northeast, having a Radius of 75 feet and a central angle of 79°51'; thence Westerly and Northerly, along the arc of said curve, a distance of 104.52 feet to the end of said curve; thence North 10°09' West, a distance of 22.48 feet; thence North 66°17'10" East, a distance of 25.72 feet; thence South 10°09' East a distance of 28.52 feet to the beginning of a curve concave to the Northeast, having a radius of 50 feet and a central angle of 79°51'; thence Southerly and Easterly, along the arc of said curve, a distance of 69.68 feet to the end of said curve; thence due East, a distance of 154.19 feet; thence South 75° East, a distance of 107.86 feet to the beginning of a curve concave to the Southwest, having a Radius of 45 feet and a central angle of 65°; thence Southeasterly, along the arc of said curve, a distance of 51.05 feet to the end of said curve; thence South 10° East, a distance of 26.32 feet thence South 80° West, a distance of 25 feet to the POINT OF BEGINNING.

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PARADISE VILLAS,

4 CONDOMINIUM



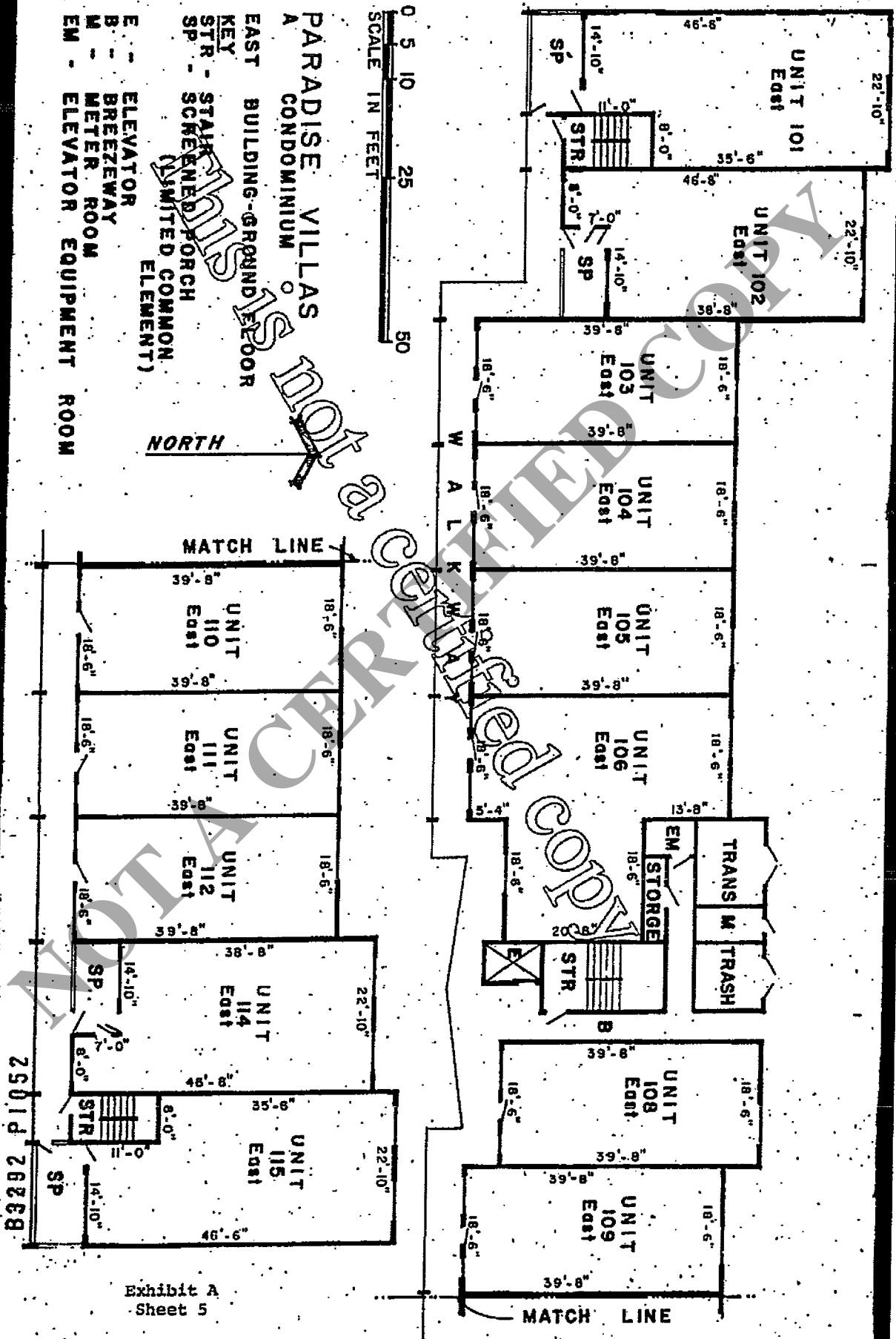
ELECTRICAL, GAS, AND WATER

1ST FLOOR	2ND FLOOR	3RD FLOOR	4TH FLOOR
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EASEMENT FOR 4 PARKING SPACES TO SCHOONER BAY CONDOMINIUM

DATE: 10/1/88	BY: JAMES D. CARLTON, INC.	PROJECT: PARADISE VILLAS
SCALE: 1" = 10'	DESIGNED BY: JAMES D. CARLTON, INC.	CONSTRUCTED BY: JAMES D. CARLTON, INC.
CHECKED BY: JAMES D. CARLTON, INC.	APPROVED BY: JAMES D. CARLTON, INC.	REVISIONS: 1. 10/1/88
JAMES D. CARLTON, INC. CONSULTING ENGINEERS AND LAND SURVEYORS 1501 D. 26268		

EXHIBIT A
SHEET 4



B3292 P1053

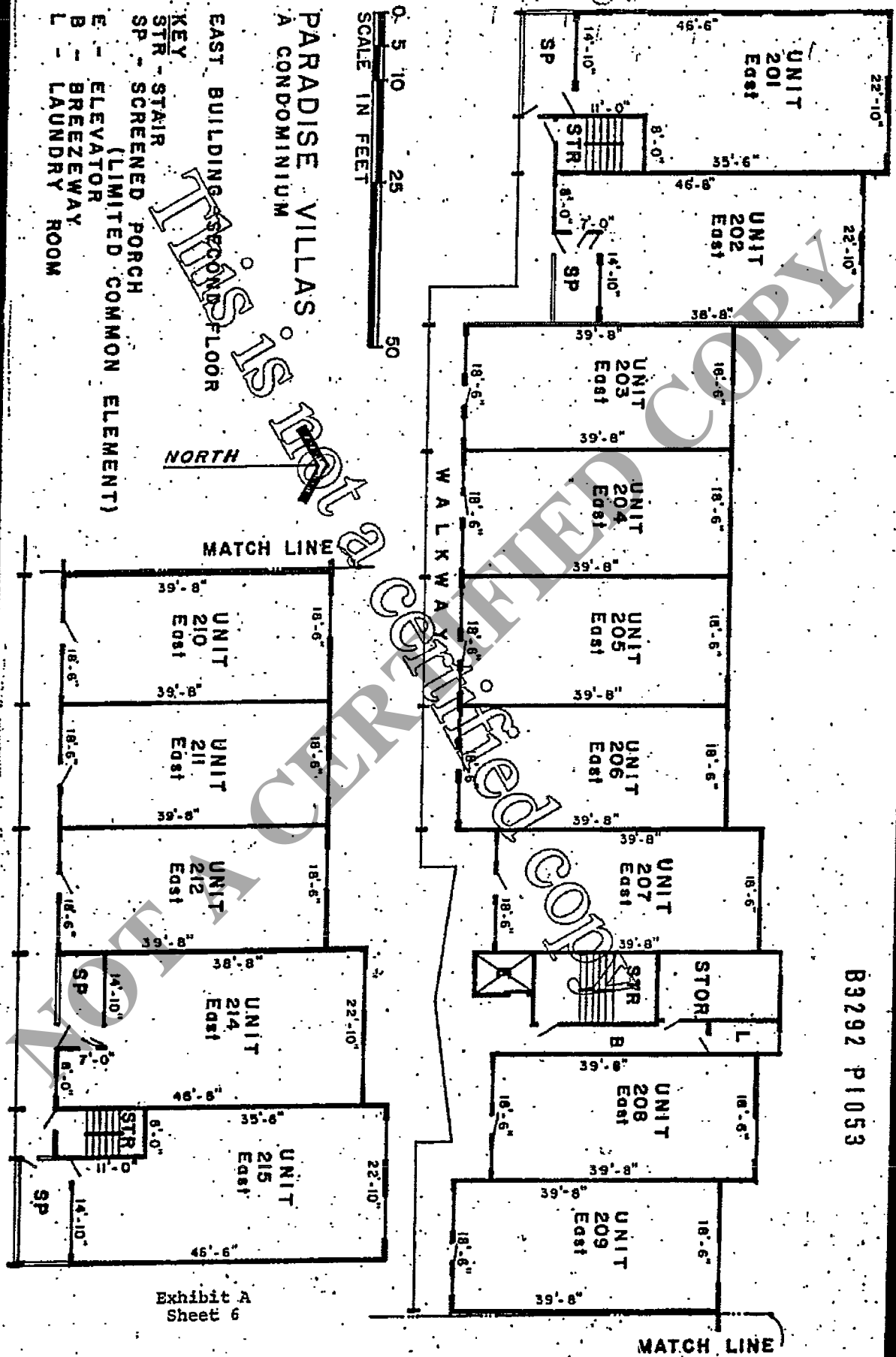


Exhibit A
Sheet 6

B3292 P1054



- PARADISE VILLAS
A CONDOMINIUM
- EAST BUILDING THIRD FLOOR
KEY STR - STAIR
SP - SCREENED PORCH
E - ELEVATOR
B - BREEZEWAY
L - LAUNDRY ROOM
- (LIMITED COMMON ELEMENT)

NORTH

MATCH LINE

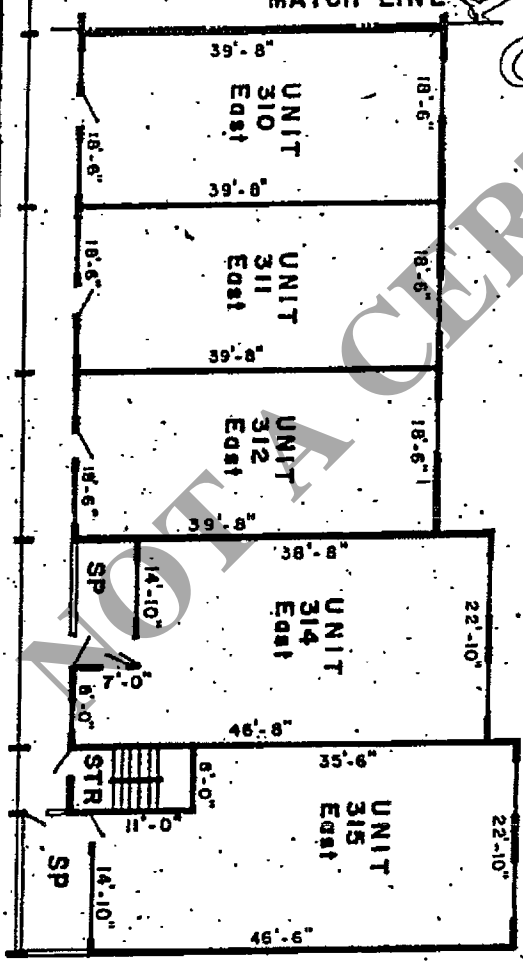
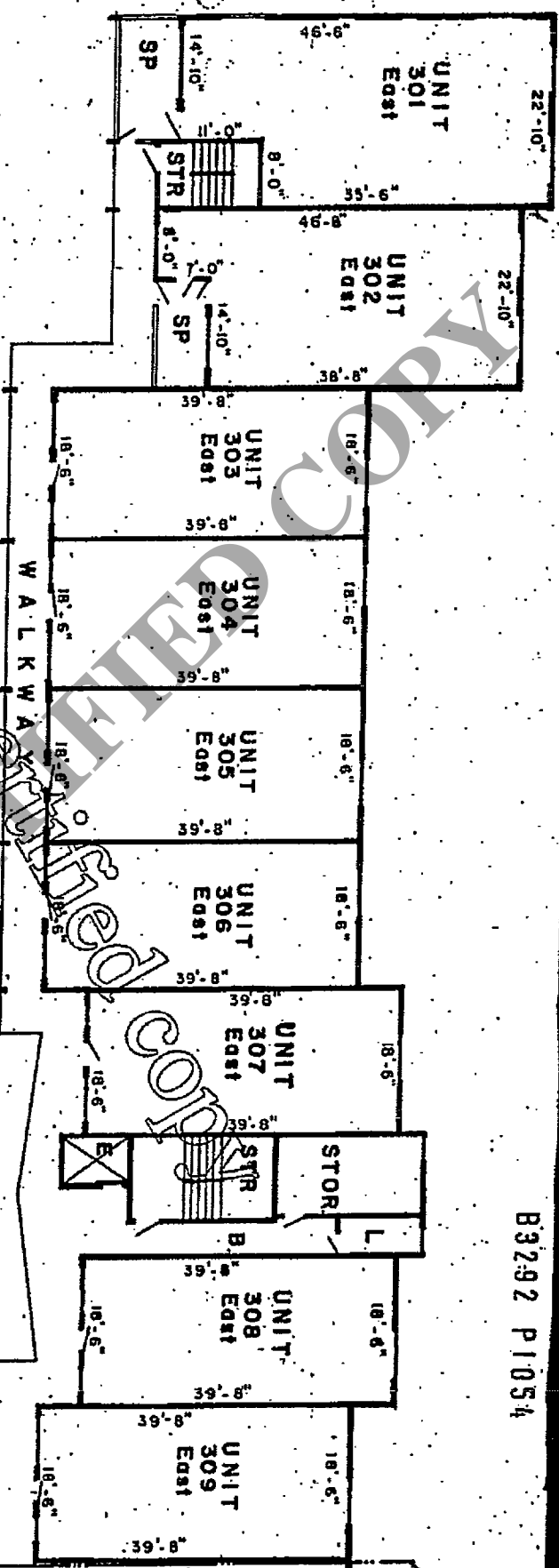


Exhibit A
Sheet 7



MATCH LINE

B3292 P1055

0 5 10 25 50
SCALE - IN FEET

PARADISE VILLAS
A CONDOMINIUM

EAST BUILDING - FOURTH FLOOR

KEY
STR - STAIR
SP - SCREENED PORCH
(LIMITED COMMON ELEMENT)

E - ELEVATOR
B - BREEZEWAY
L - LAUNDRY ROOM

NORTH

MATCH LINE

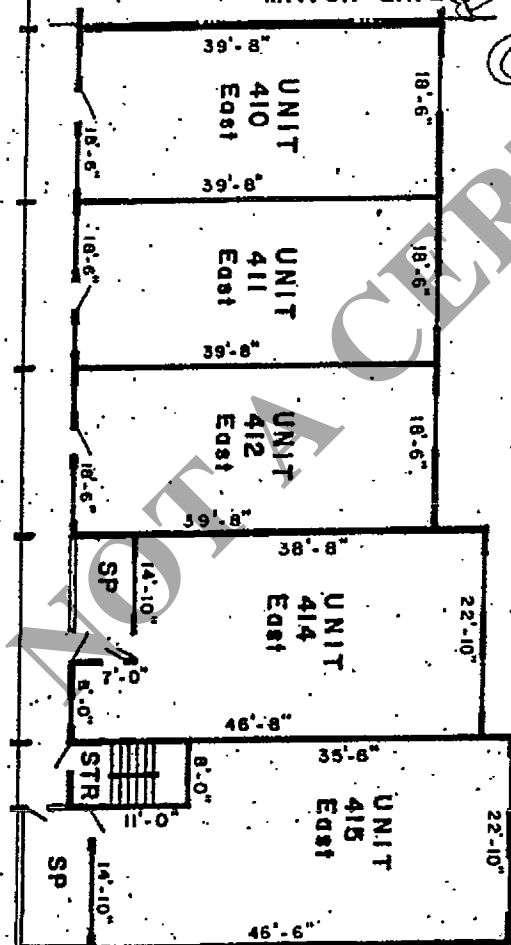
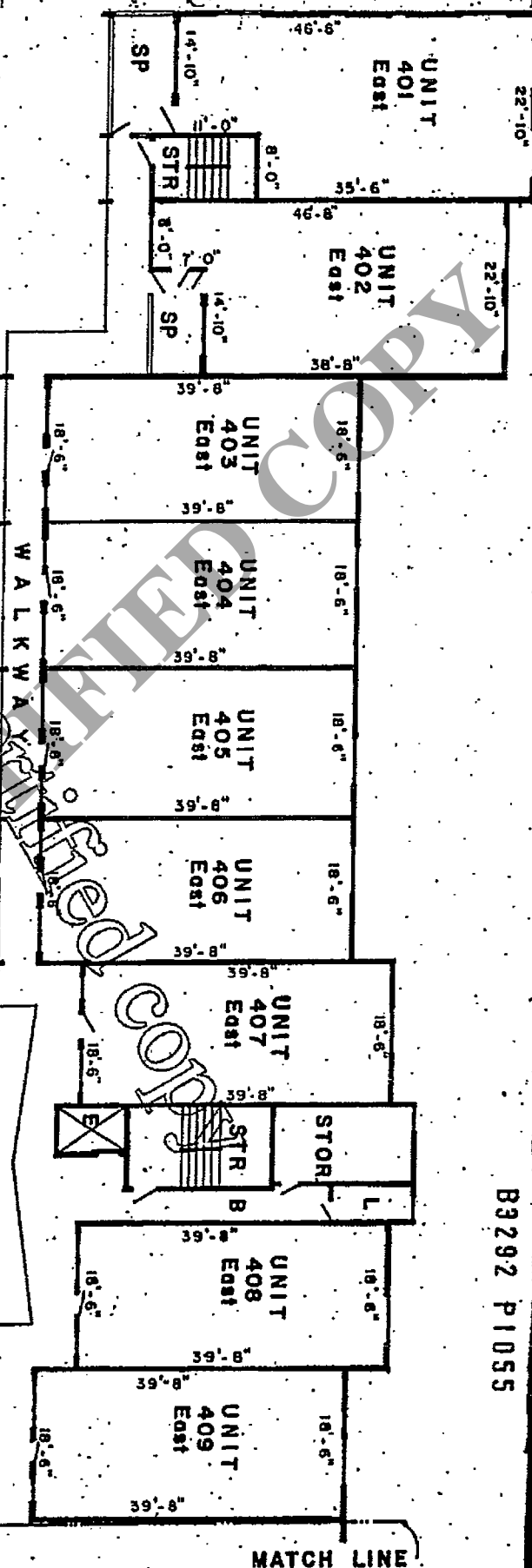
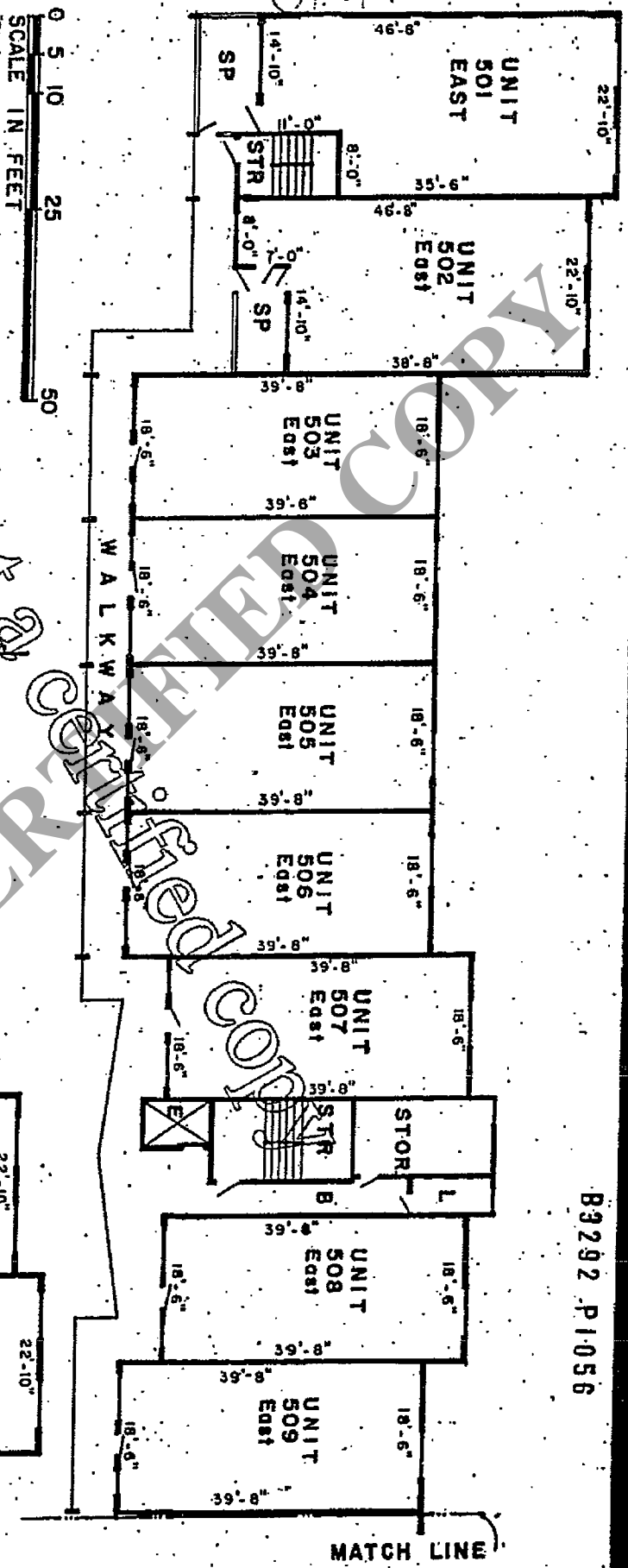


Exhibit A
Sheet 8



MATCH LINE

B3292.P1056



PARADISE VILLAS
A CONDOMINIUM
EAST BUILDING - FIFTH FLOOR
KEY
STR - STAIR
SP - SCREENED PORCH
(LIMITED COMMON ELEMENT)
E - ELEVATOR
B - BREEZEWAY
L - LAUNDRY ROOM

WEST BUILDING - GROUND FLOOR

KEY

STR - STAIRS

SP - SCREENED PORCH (LIMITED COMMON ELEMENT)

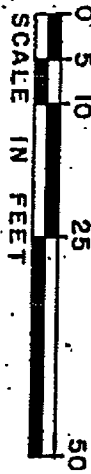
E - ELEVATOR

B - BREZEWAY

M - METER ROOM

EM - ELEVATOR EQUIPMENT ROOM

PARADISE VILLAS A CONDOMINIUM



NORTH

MATCH LINE

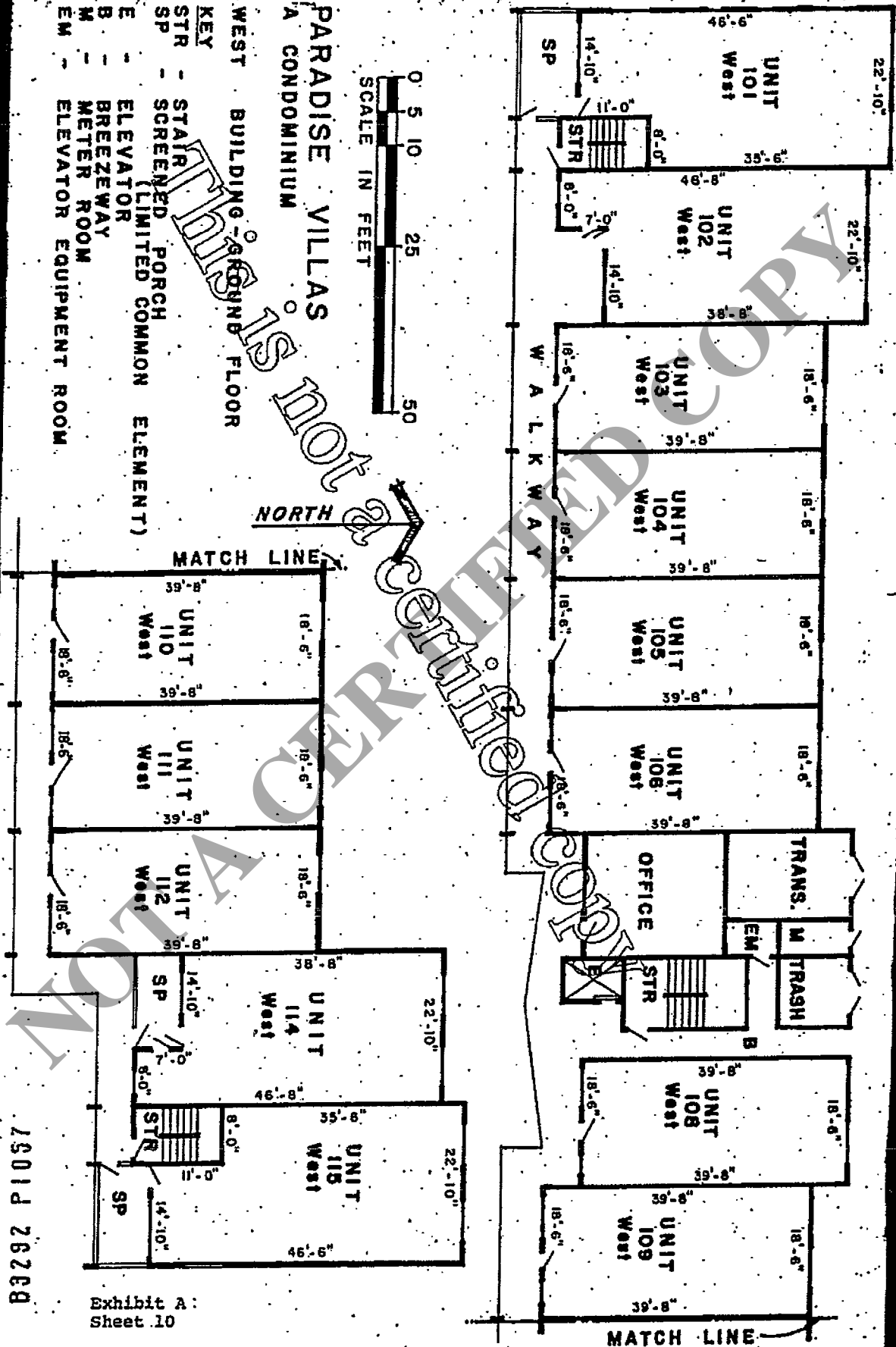


Exhibit A:
Sheet 10

7501D 262CB

PARADISE VILLAS
A CONDOMINIUM

WEST BUILDING SECOND FLOOR

KEY

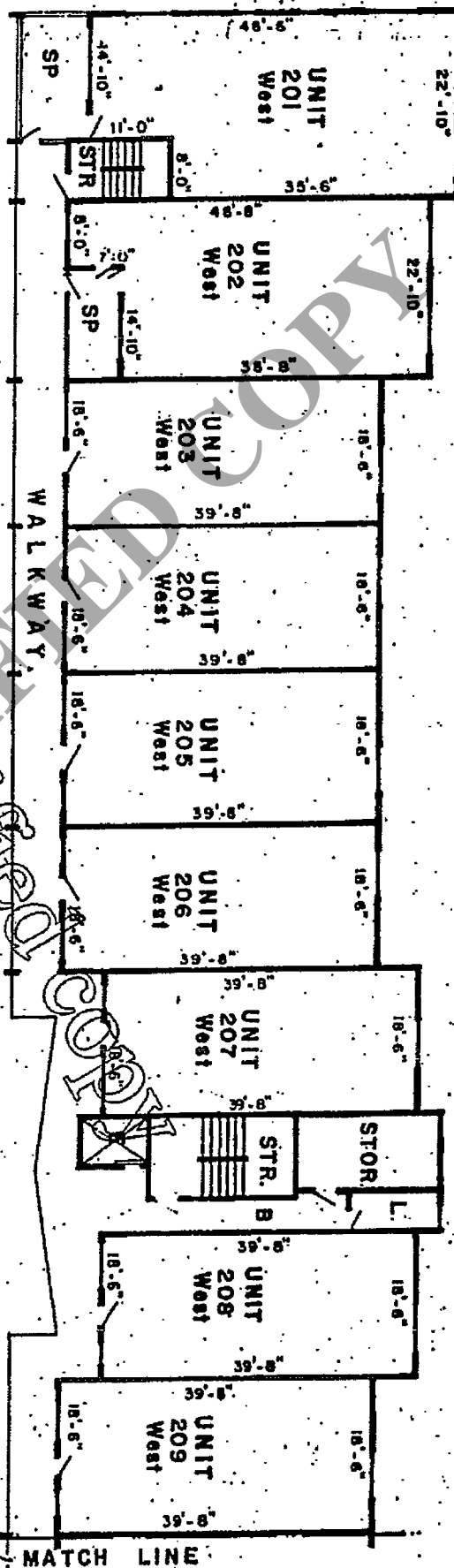
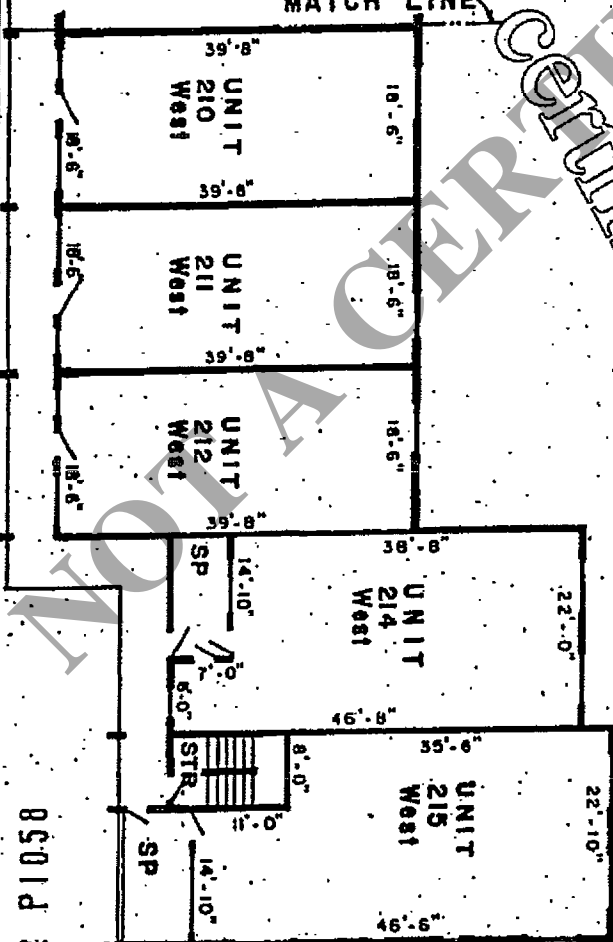
STR - STAIR
SP - SCREENED PORCH
(LIMITED COMMON ELEMENT)

E - ELEVATOR
B - BREEZEWAY
L - LAUNDRY ROOM



NORTH

MATCH LINE



PARADISE VILLAS
A CONDOMINIUM

WEST BUILDING THIRD FLOOR

KEY
 SP - STAIR
 STR - SCREENED PORCH
 (LIMITED COMMON ELEMENT)
 E - ELEVATOR
 B - BREEZEWAY
 L - LAUNDRY ROOM



NORTH

MATCH LINE

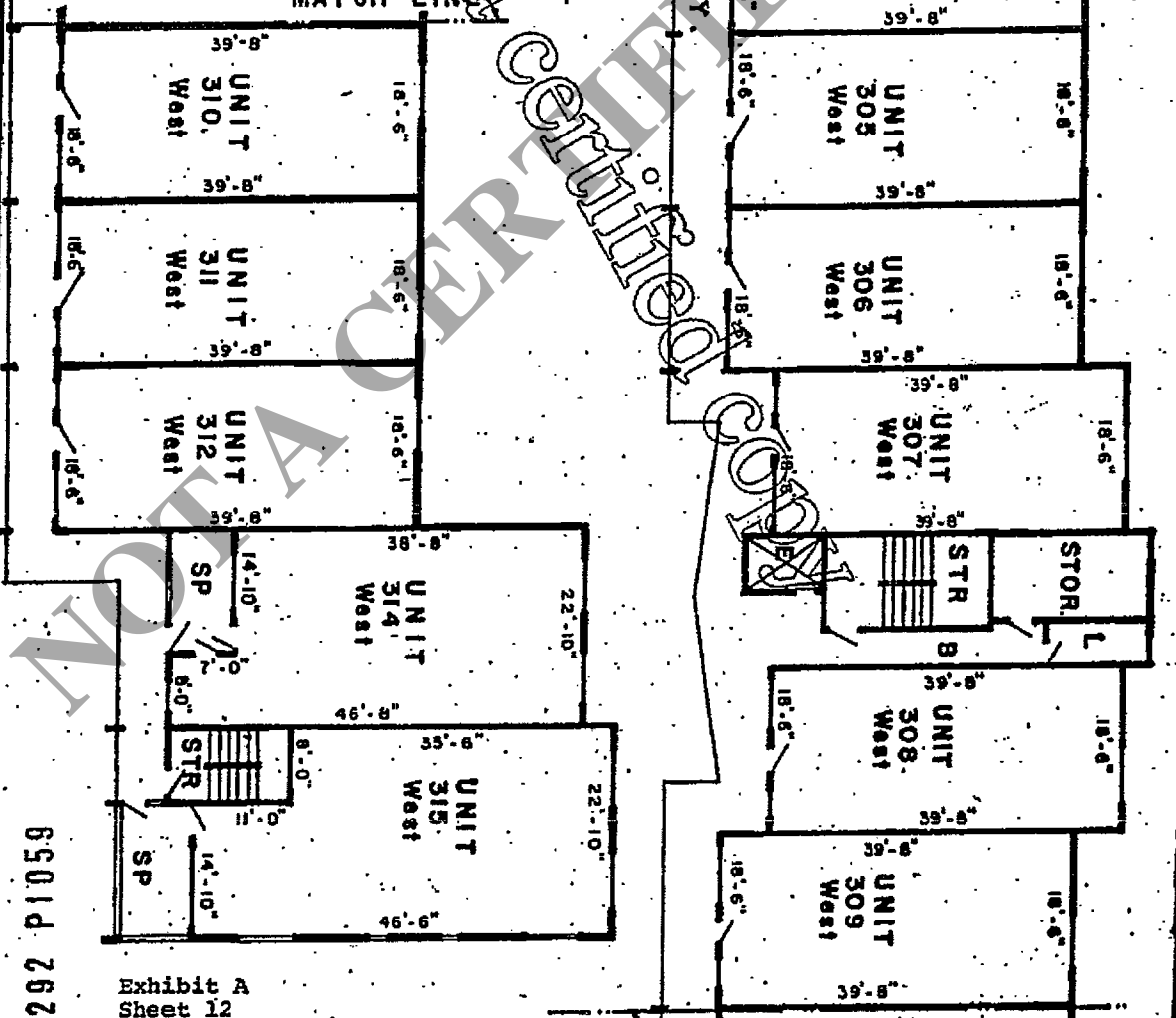
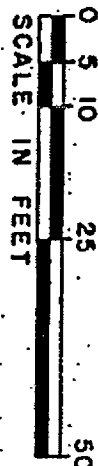


Exhibit A
Sheet 12

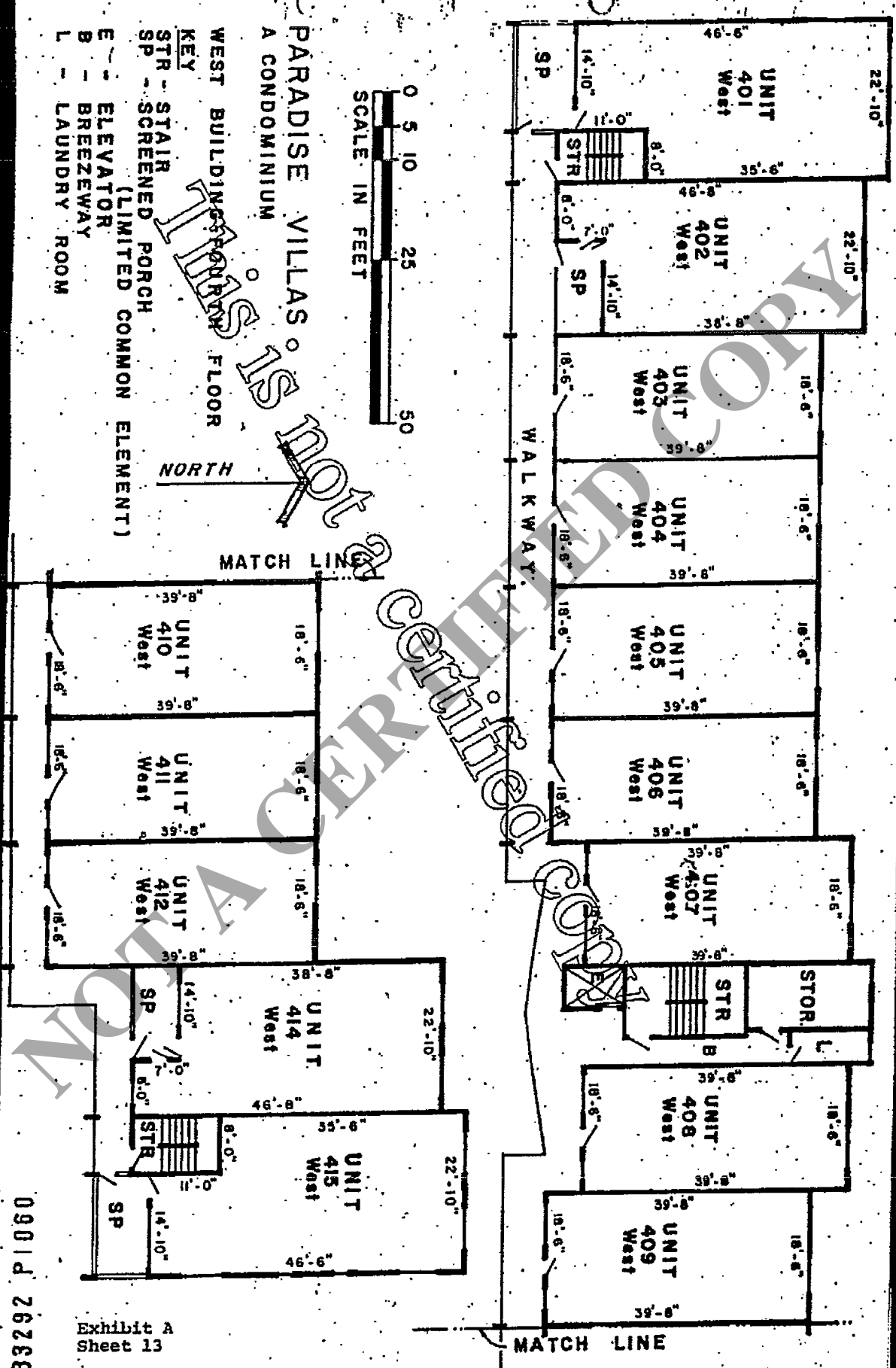
6501d 26268

PARADISE VILLAS
A CONDOMINIUM
WEST BUILDING FOURTH FLOOR
KEY
STR - STAIR
SP - SCREENED PORCH
(LIMITED COMMON ELEMENT)
E - ELEVATOR
B - BREEZEWAY
L - LAUNDRY ROOM



NORTH

MATCH LINE



0901d 26268

Exhibit A
Sheet 13

PARADISE VILLAS
A CONDOMINIUM

WEST BUILDING
FLOOR

KEY
STR - STAIR
SP - SCREENED PORCH
E - ELEVATOR
B - BREZEWAY
L - LAUNDRY ROOM

(LIMITED COMMON ELEMENT)

NORTH

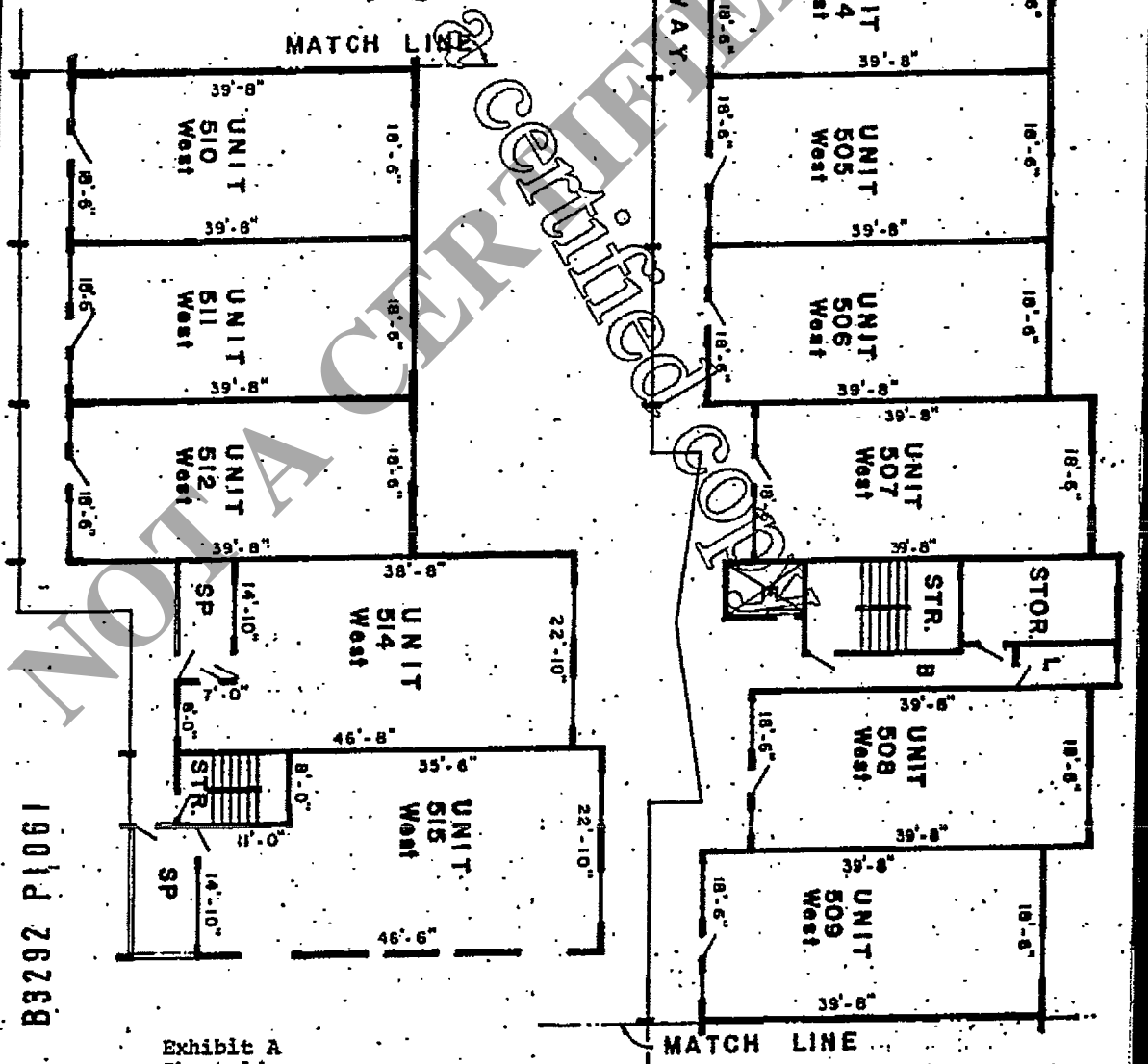


EXHIBIT "B"

Annexed to and made a part of
THE DECLARATION Of Condominium
of PARADISE VILLAS
A Condominium

CERTIFICATE OF SURVEYOR

OF

PARADISE VILLAS, A Condominium

STATE OF FLORIDA)
COUNTY OF DALLAS BEACH) ss.

Before me, the undersigned authority duly authorized to administer oaths and take acknowledgements, personally appeared James D. Carlton, by me well known and known to me to be the person hereinafter described, who, being by me first duly cautioned and sworn, deposes and says on oath as follows, to wit:

1. That he is a duly registered and duly licensed land surveyor authorized to practice under the laws of the State of Florida, being Registered Land Surveyor No. 747.

2. That he hereby certifies that the survey, graphic descriptions and plot plan in the form of building plans, floor plans, maps, surveys and/or sketches which are attached to the Declaration of Condominium of PARADISE VILLAS, A Condominium are true and correct representations of the property described and shown therein.

3. That he hereby certifies that the construction of the improvements described on Exhibit A is substantially complete so that together with the information contained in the Declaration of Condominium of PARADISE VILLAS, A Condominium, the material included within Exhibit A is a correct and accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the common elements and of each unit can be determined from such materials.

4. That he hereby certifies that all planned improvements, including but not limited to landscaping, utility services and access to the units in the condominium, and common element facilities serving the building in which all of the units of the condominium are located have been substantially completed.

FURTHER AFFIANT SAYETH NAUGHT

James D. Carlton
Registered Land Surveyor No. 747
State of Florida

Sworn to and subscribed to before me
this 18 day of FEBRUARY, 1980.

Cindy Sutherland
Notary Public
State of Florida at Large

My commission expires: Notary Public, State of Florida at Large
My Commission Expires May 17, 1983
Issued by American Fidelity & Guaranty Company

B3292 P1062

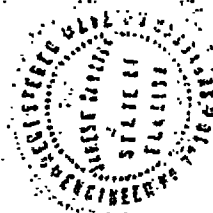
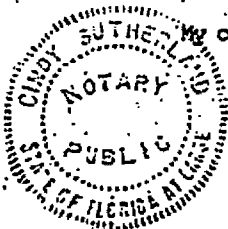


EXHIBIT "C"

Annexed to and made a part of
The DECLARATION OF Condominium
of PARADISE VILLAS, A Condominium

<u>Unit Number</u>	<u>Percentage of Interest in Common Elements, Common Expenses and Common Surplus</u>	<u>Guaranteed monthly Assessment per Article VII (I) of Declaration</u>
101-East	.865%	\$60.82
102-East	.865%	\$60.82
103-East	.665%	\$46.75
104-East	.665%	\$46.75
105-East	.665%	\$46.75
106-East	.895%	\$62.93
108-East	.665%	\$46.75
109-East	.665%	\$46.75
110-East	.665%	\$46.75
111-East	.665%	\$46.75
112-East	.665%	\$46.75
114-East	.865%	\$60.82
115-East	.865%	\$60.82
201-East	.865%	\$60.82
202-East	.865%	\$60.82
203-East	.665%	\$46.75
204-East	.665%	\$46.75
205-East	.665%	\$46.75
206-East	.665%	\$46.75
207-East	.665%	\$46.75
208-East	.665%	\$46.75
209-East	.665%	\$46.75
210-East	.665%	\$46.75
211-East	.665%	\$46.75
212-East	.665%	\$46.75
214-East	.865%	\$60.82
215-East	.865%	\$60.82
301-East	.865%	\$60.82
302-East	.865%	\$60.82
303-East	.665%	\$46.75
304-East	.665%	\$46.75
305-East	.665%	\$46.75
306-East	.665%	\$46.75
307-East	.665%	\$46.75
308-East	.665%	\$46.75
309-East	.665%	\$46.75
310-East	.665%	\$46.75
311-East	.665%	\$46.75
312-East	.665%	\$46.75
314-East	.865%	\$60.82
315-East	.865%	\$60.82
401-East	.865%	\$60.82
402-East	.865%	\$60.82
403-East	.665%	\$46.75
404-East	.665%	\$46.75
405-East	.665%	\$46.75
406-East	.665%	\$46.75
407-East	.665%	\$46.75
408-East	.665%	\$46.75
409-East	.665%	\$46.75
410-East	.665%	\$46.75
411-East	.665%	\$46.75
412-East	.665%	\$46.75
414-East	.865%	\$60.82
415-East	.865%	\$60.82
501-East	.865%	\$60.82
502-East	.865%	\$60.82
503-East	.665%	\$46.75
504-East	.665%	\$46.75
505-East	.665%	\$46.75
506-East	.665%	\$46.75
507-East	.665%	\$46.75
508-East	.665%	\$46.75
509-East	.665%	\$46.75
510-East	.665%	\$46.75
511-East	.665%	\$46.75
512-East	.665%	\$46.75
514-East	.865%	\$60.82
515-East	.865%	\$60.82

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EXHIBIT "C" - Page 2

<u>Unit Number</u>	<u>Percentage of Interest in Common Elements, Common Expenses and Common Surplus</u>	<u>Guaranteed monthly Assessment per Article VII (I) of Declaration</u>
101-West	.865%	\$60.82
102-West	.865%	\$60.82
103-West	.665%	\$46.75
104-West	.665%	\$46.75
105-West	.665%	\$46.75
106-West	.665%	\$46.75
108-West	.665%	\$46.75
109-West	.665%	\$46.75
110-West	.665%	\$46.75
111-West	.665%	\$46.75
112-West	.665%	\$46.75
114-West	.865%	\$60.82
115-West	.865%	\$60.82
201-West	.865%	\$60.82
202-West	.865%	\$60.82
203-West	.665%	\$46.75
204-West	.665%	\$46.75
205-West	.665%	\$46.75
206-West	.665%	\$46.75
207-West	.665%	\$46.75
208-West	.665%	\$46.75
209-West	.665%	\$46.75
210-West	.665%	\$46.75
211-West	.665%	\$46.75
212-West	.665%	\$46.75
214-West	.865%	\$60.82
215-West	.865%	\$60.82
301-West	.865%	\$60.82
302-West	.865%	\$60.82
303-West	.665%	\$46.75
304-West	.665%	\$46.75
305-West	.665%	\$46.75
306-West	.665%	\$46.75
307-West	.665%	\$46.75
308-West	.665%	\$46.75
309-West	.665%	\$46.75
310-West	.665%	\$46.75
311-West	.665%	\$46.75
312-West	.665%	\$46.75
314-West	.865%	\$60.82
315-West	.865%	\$60.82
401-West	.865%	\$60.82
402-West	.865%	\$60.82
403-West	.665%	\$46.75
404-West	.665%	\$46.75
405-West	.665%	\$46.75
406-West	.665%	\$46.75
407-West	.665%	\$46.75
408-West	.665%	\$46.75
409-West	.665%	\$46.75
410-West	.665%	\$46.75
411-West	.665%	\$46.75
412-West	.665%	\$46.75
414-West	.865%	\$60.82
415-West	.865%	\$60.82
501-West	.865%	\$60.82
502-West	.865%	\$60.82
503-West	.665%	\$46.75
504-West	.665%	\$46.75
505-West	.665%	\$46.75
506-West	.665%	\$46.75
507-West	.665%	\$46.75
508-West	.665%	\$46.75
509-West	.665%	\$46.75
510-West	.665%	\$46.75
511-West	.665%	\$46.75
512-West	.665%	\$46.75
514-West	.865%	\$60.82
515-West	.865%	\$60.82
<u>100.00 %</u>		

B3292 P1064

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of PARADISE VILLAS (N.P.B.) CONDOMINIUM ASSOCIATION, INC., a corporation not for profit organized under the Laws of the State of Florida, filed on March 28, 1980, as shown by the records of this office.

The charter number for this corporation is 751783.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
28th day of March, 1980.



CER 101 Rev. 5-79

EXHIBIT D

George Firestone
George Firestone
Secretary of State

89292 P1065

ARTICLES OF INCORPORATION
OF

PARADISE VILLAS (N.P.B.)
CONDOMINIUM ASSOCIATION, INC.

A CORPORATION NOT FOR PROFIT

FILED
MAR 28 11 04 AM '80
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The undersigned by these Articles associate themselves for the purpose of forming a corporation not for profit under Chapter 617 Florida Statutes, and certify as follows:

ARTICLE I

NAME AND ADDRESS

The name of the corporation shall be PARADISE VILLAS (N.P.B.) CONDOMINIUM ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the Association. The initial business address of the corporation shall be 104 and 108 Paradise Harbour Blvd., North Palm Beach, Florida.

ARTICLE II

PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to the Condominium Act, Chapter 718, Florida Statutes, for the operation of the condominium to be known as PARADISE VILLAS; which condominium is located in the Village of North Palm Beach, Florida, and is herein called the Condominium.

ARTICLE III

MEMBERS

A. The members of the Association shall consist of all of the record owners of units in the Condominium, and after termination of the Condominium shall consist of those who are members at the time such termination, and their successors and assigns.

B3292 P1066

ARTICLES OF INCORPORATION

B. After receiving approval of the Association required by the Declaration of Condominium of PARADISE VILLAS (herein called the Declaration of Condominium) change of membership in the Association shall be established by recording in the public records of Palm Beach County, Florida, a deed or other instrument to establish record title to a unit in any of the Condominium units and the delivery to the Association of a true copy of such instrument. The owner designated by such instrument thus becomes a member of the Association, subject, however, to provisions of the Declaration restricting transfers, and membership of the prior owner is terminated.

C. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit.

D. The owner of each unit shall be entitled to one (1) vote as a member of the Association. The manner of exercising voting rights shall be determined by the By-Laws of the Association.

ARTICLE IV

TERMO

The term of the Association shall be perpetual, except that if the Condominium is terminated, the Association shall remain in existence only for the length of time necessary to wind up the affairs of the Association.

ARTICLE V

NAMES AND RESIDENCES OF SUBSCRIBERS

The names and residence addresses of the subscribers to these Articles of Incorporation are as follows:

Martin Comart
70 Morris Lane
Scarsdale, New York

Marilynn M. Ives
251 Royal Palm Way
Palm Beach, Florida

Lynda Harris
251 Royal Palm Way
Palm Beach, Florida

ARTICLE VI

BOARD OF ADMINISTRATION

A. The affairs of the Association will be managed by a Board

ARTICLES OF INCORPORATION

of Administration which shall consist of not less than three (3) nor more than seven (7) persons. The first election of the Board of Administration shall not be held until the conditions of Florida Statute §718.301 (as in effect on the date hereof) have been satisfied, or until such earlier time as the Developer of the Condominium (as Developer is defined in the Declaration of Condominium thereof) may call for the first election. Prior to the time unit owners are entitled to elect members to the Board of Administration, the Developer shall be entitled to appoint all members of the Board of Administration. Members of the Board of Administration appointed by the Developer need not be residents of the Condominium. Other members of the Board of Administration must be unit owners or stockholders or partners or other owners of a beneficial interest of a unit in the Condominium in accordance with the By-Laws of the Association.

B. Subsequent to the date referred to in Paragraph A above, the unit owners will be entitled to elect a number of the board members as is permitted by Florida Statutes, Chapter 718. At such time as the provisions of Chapter 718 permit unit owners to elect all board members, an initial election of board members will be held. Notwithstanding any of the foregoing provisions of this Article VI, Developer shall have the right to terminate Developer's control and/or representation on the Board of Administration at any time.

C. The board members named in these Articles shall serve until the first election by unit owners of the permitted number of board members and any vacancies in their number occurring before said permitted election shall be filled by the remaining board members. The Developer shall have the right to remove any person or persons selected by it to serve on the Board of Administration and to replace such person or persons with another person or persons to act and serve in the place of any board member(s) so removed for the remainder of the unexpired term of the person so removed. Any representative of the Developer serving on the Board of Administration of the Association shall not be required to disqualify himself upon any vote, any contract or other matter between the Developer and the Association.

ARTICLES OF INCORPORATION

where the Developer may have a pecuniary or other interest. Similarly, Developer, as a member of the Association, shall not be required to disqualify itself in any vote which may come before the membership of the Association on any contract or other matter between the Developer and the Association where the Developer may have a pecuniary or other interest.

D1. The names and business addresses of the members of the first Board of Administration who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

Martin Comart - 70 Morris Lane, Scarsdale, New York
Oded Melzer - 7010 Gleneagles Drive, Miami Lakes, Florida
Donald Aidner - 140 Hepburn, Clifton, New Jersey

ARTICLE VII

OFFICERS

The affairs of the Association shall be administered by the officers designated in the By-Laws. The officers shall be elected by the Board of Administration at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Administration. The names of the officers who shall serve until their successors are designated by the Board of Administration are as follows:

President: Martin Comart
Secretary: Oded Melzer
Treasurer: Donald Aidner

ARTICLE VIII

BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Administration and may be altered, amended or rescinded by the Board of Administration and/or the members of the Association in the manner provided by the By-Laws.

ARTICLE IX

AMENDMENTS

Amendments to these Articles of Incorporation shall be proposed and adopted in the following manner:

ARTICLES OF INCORPORATION

A. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting of the members of the Association at which a proposed amendment is considered.

B. A resolution for the adoption of a proposed amendment may be proposed by the Board of Administration or by unit owners holding not less than twenty percent (20%) of the total votes of the Association. Board members and members of the Association not present in person at the meeting considering the amendment may express their approval by proxy in the customary corporate manner providing such proxy is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided such approvals must be either by:

- (1) Not less than a majority of the Board of Administration and by not less than fifty-five percent (55%) of the total votes of the Association; or
- (2) Not less than sixty-five percent (65%) of the total votes of the Association; or
- (3) Until the first election of the entire Board of Administration by unit owners other than the Developer, only all of the members of the Board of Administration.

C. Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of members, and provided further, that no amendment shall be valid if made without the Developer's written approval during the period the Developer holds any units in the Condominium for sale. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium.

D. A copy of each amendment shall be filed with and certified by the Secretary of State and recorded in the public records of Palm Beach County, Florida as an amendment to the Declaration of Condominium.

ARTICLE X

POWERS

The powers of the Association shall include and the Associa-

ARTICLES OF INCORPORATION

tion shall be governed by the following provisions:

A. The Association shall have all of the common-law and statutory powers of a corporation not for profit not in conflict with the terms of these Articles.

B. The Association shall have all of the powers and duties set forth in the Condominium Act except as limited by these Articles and the Declaration of Condominium and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration and as they may be amended from time to time, including but not limited to the following:

(1) To make and collect assessments against members as unit owners to defray the costs, expenses and losses of the Condominium.

(2) To use the proceeds of assessments in the exercise of its powers and duties.

(3) To maintain, repair, replace and operate all of the Condominium property and recreational facilities.

(4) To purchase insurance upon all of the Condominium property and facilities and property of the Association and insurance for the protection of the Association and its members as unit owners.

(5) To reconstruct improvements after casualty and to further improve all of the Condominium property and recreational facilities.

(6) To make and amend reasonable regulations respecting the use of the property in the Condominium provided, however, that all such regulations and their amendments shall be consistent with the Declaration, these Articles and the By-Laws of the Association and provided they are approved by a majority of the votes cast at a meeting of the membership of the Association at which a quorum is present in person or by proxy before such shall become effective, except that:

(a) While the Developer has control of the Board

ARTICLES OF INCORPORATION

of Administration, regulations may be made and/or amended by the Board of Administration without approval of the Association membership; and

(b). As long as the Developer holds any unit in the Condominium for sale, no regulation shall be valid if not approved by Developer.

(7) To approve or disapprove the transfer, mortgage, leasing and ownership of units as may be provided by the Declaration of Condominium and the By-Laws.

(8) To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium, these Articles, the By-Laws of the Association and the Regulations for the use of the property in the Condominium and owned by the Association.

(9) To contract for the management of the Condominium and property owned by the Association and To delegate to such manager all such powers and duties of the Association except such as are specifically required by the Declaration of Condominium or the Condominium Act to have approval of the Board of Administration or the membership of the Association.

(10) To contract for the management or operation of portions of the common elements and/or other facilities susceptible to separate management or operation, and to lease such portions.

(11) To employ personnel to perform the services required for proper operation of the Condominium.

C. All funds and the titles of all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation, and the By-Laws.

D. The powers of the Association shall be subject to, and shall be exercised in accordance with the provisions of the Declaration of Condominium and the By-Laws.

ARTICLES OF INCORPORATION

ARTICLE XI

INDEMNIFICATION

Every member of the Board of Administration and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including costs of suit and attorneys fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a member of the Board of Administration of the Association, whether or not he is a board member or officer at the time such expenses are incurred, except when the board member or officer is adjudged guilty of willfull misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the Board of Administration approves such settlement and reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such board member or officer may be entitled. The Association may, to the extent available and upon approval of the members of the Association obtain officer and director liability insurance in pursuance of this indemnification.

ARTICLE XII

VOTING

At any meeting of the members of the Association, one vote shall be entitled to be cast for each unit, which vote shall not be divisible.

There shall be one person with respect to each unit, who shall be entitled to votes at any meeting of the unit owners. Such person shall be known as the voting member and is hereafter referred to as the voting member. If a unit is owned by more than one individual, the owners of said unit shall designate one of them as the voting member. If a unit is owned by a corporation, one of its officers or employees shall be designated as the voting member. If a unit is owned by a partnership, all of the partners by an appropriate resolu-

ARTICLES OF INCORPORATION

tion shall designate one of the partners as the voting member. If a unit is owned by more than one trustee, all of the trustees shall designate one of the trustees as the voting member. The By-Laws of the Association shall govern the proceedings to follow in designating an individual as the voting member of the unit.

The provisions of this Article XII are identical to those of Article V of the Declaration of Condominium and shall not be amended unless Article V of the Declaration of Condominium is also amended in identical fashion.

ARTICLE XIII

LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the Condominium shall not relieve or release any such former owner or member from any liability or obligation incurred under or in any way connected with the Condominium during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former owner and member arising out of, or in any way connected with, such ownership and membership, and the covenants and obligations incident thereto.

ARTICLE XIV

SEVERABILITY

In the event of the invalidity of any provision hereof, same shall be deemed stricken from this instrument, which shall continue in full force and effect as if the offending provision were never a part hereof and the invalidity of any such provision shall not affect the validity of any other provision or the due incorporation of the Association.

IN WITNESS WHEREOF, the subscribers have affixed their signatures this 3 day of March, 1980.

Martin Forast

[Signature]

[Signature]

ARTICLES OF INCORPORATION

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss

BEFORE ME, the undersigned authority, personally appeared
MARTIN GIBSON, LINDA J. HARRIS and MARYANN M. HES,
to me well known and known to be the persons described in and who executed the foregoing and acknowledged before me that they executed the same freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal this 3 day of March
1980.

[Signature]
Notary Public, State of
Florida at Large

My commission expires

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES DEC. 7 1982
BONDED THRU GENERAL INS. UNDERWRITERS

83292 P1075

EXHIBIT "E"

Annexed to and made a part of
The DECLARATION OF Condominium
of PARADISE VILLAS
A Condominium

BY-LAWS

OF

PARADISE VILLAS (N.P.B.) CONDOMINIUM ASSOCIATION, INC.

a corporation not for profit
under the laws of Florida

ARTICLE I

IDENTITY

A. GENERAL. These are the By-Laws of PARADISE VILLAS (N.P.B) CONDOMINIUM ASSOCIATION, INC., called Association in these By-Laws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State on March 28, 1980. The Association has been organized for the purposes of administering PARADISE VILLAS, a condominium (herein called the Condominium) pursuant to Chapter 718, Florida Statutes, called the Condominium Act in these By-Laws, which Condominium will be located in South Palm Beach, Florida.

B. OFFICE. The Office of the Association shall be at 104 and 108 Paradise Harbour Blvd., North Palm Beach, Florida or at such other place in Palm Beach County as may be designated from time to time by the Board of Administration.

C. SEAL. The seal of the Association shall bear the name of the corporation, the word "Florida", the words "Corporation not for Profit", and the year of incorporation, an impression of which is as follows:

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D. DEFINITIONS. All words and phrases used herein shall have the same definitions attributed to them in the Declaration of Condominium to which these By-Laws are attached.

ARTICLE II.

MEMBERSHIP

A. UNIT OWNERS. Membership in this Association shall be limited to the owners of the condominium units in the Condominium. Transfer of unit ownership, either voluntarily or by operation of law, shall terminate membership in the Association and said membership shall be vested in the transferee.

B. DEVELOPER. The Developer shall be a member of the Association so long as the Developer owns any units in the Condominium.

C. DESIGNATED FAMILY. Where title to a unit is held in partnership, trust, corporate or other than individual name or names, the unit owner(s) shall, by certificate delivered to the Secretary of the Association appoint a designated family as the primary occupant entitled to use of the unit and name one (1) member of the designated family as the voting member. In such case, no more than one (1) family occupant may be designated at a time unless the Board of Administration consents and no more than two different designations may be in effect in any twelve (12) month period unless the Board of Administration consents. Where title to a unit is held in the name of an individual (with or without spouse) jointly with another individual (with or without spouse) the unit owners may designate the families of both unit owners as the primary occupants entitled to use of the unit but shall, by certificate delivered to the Secretary of the Association, designate one of the unit owners as the voting member.

The Board of Administration shall have the right to approve or disapprove each designated family in the same manner as if the designated family were a proposed lessee. No unit may be divided or subdivided into smaller units nor any portion sold or otherwise transferred without amending this Declaration to show the changes in the units to be affected. Where title to a unit is held by an individual

(with or without spouse) jointly with another individual (with or without spouse) there may be only two (2) such individuals (and spouses) holding title and no more.

ARTICLE III

MEETINGS

A. ANNUAL MEETINGS. The annual members' meeting shall be held at the office of the Association at 7:00 p.m., Eastern Standard time on the second Tuesday in March of each year for the purpose of electing members of the Board of Administration and transacting any other business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a holiday; provided, further, that no annual meeting shall be held as long as a majority of the Board of Administration is made up of representatives of the Developer and unit owners are not entitled to elect a majority to the Board of Administration.

B. SPECIAL MEETINGS. Special meetings of the membership shall be held whenever called for by the President or Vice President or by a majority of the Board of Administration, and must be called by such officers upon receipt of a written request from members entitled to cast one-quarter (1/4) of the votes of the entire membership.

C. MEETING NOTICES. Notice of the annual meeting stating the time, place and the objects for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing and mailed, postage prepaid, to each member at his address as it appears on the books of the Association and shall be mailed not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. The post office certificate of mailing shall be retained as proof of such mailing. Written notice shall also be posted in a conspicuous place on the condominium property at least fourteen (14) days prior to the annual meeting. Notice of the annual or special meetings may be waived before or after the meetings and action may be taken by written agreement without meetings to the extent allowed by law. Notice of special

meetings shall be mailed and posted in a like manner as for annual meetings at least seven (7) days prior to the meeting provided that in the case of emergency notice shall be given only as far in advance and by the best means as are practical.

D. QUORUM. A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The acts approved by a majority of voting members at any meeting at which a quorum of voting members is present in person or by proxy shall constitute the acts of the members, except when approval by a greater number of members is required by the Declaration of Condominium, the Articles of Incorporation, these By-Laws, or by law.

E. VOTING.

(1) At any meeting of members, the owners of each unit shall be entitled to cast a number of votes as specified in Article V of the Declaration, with all of such votes being cast as a unit (no splitting of the votes of a unit is permitted). If a unit is owned by one (1) person, his right to vote shall be established by the record title to his unit. If a unit is owned by more than one (1) person, the person entitled to cast the vote for the unit shall be one (1) of such owners designated by a certificate signed by all of the record owners of the unit and filed with the Secretary of the Association. Notwithstanding the foregoing, if a unit is owned by a husband and wife the following provisions apply:

- (a) They may, but they shall not be required to, designate a voting member.
- (b) If they do not designate a voting member, and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting.

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(c) Where they do not designate a voting member, and only one is present at a meeting, in person or by proxy, the person present may cast the unit vote, just as though he or she owned the unit individually and without establishing the concurrence of the absent person.

If a unit is owned by a corporation, the person entitled to cast the vote for the unit shall be a member of the "designated family" as defined in Article II hereof and shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. If a unit is owned by a partnership or by more than one (1) trustee, the person entitled to vote for the unit shall be one (1) of the partners or trustees designated by a certificate signed by all of the partners or trustees and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the unit is concerned. A certificate designating the person entitled to cast the vote of a unit may be revoked only by all owners of a unit. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum or for any other purpose.

F. PROXIES. Votes may be cast in person or by written proxy. A proxy may be made by any person either entitled to vote or entitled to designate such person and shall be valid only for the particular meeting designated in the proxy, or any adjournment thereof, and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting.

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G. ADJOURNED MEETINGS. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

H. ORDER OF BUSINESS. The order of business at annual members' meeting and as far as practical at other members' meetings, shall be:

- (1) Calling of the roll and certifying of proxies.
- (2) Proof of due notice of meeting or waiver of notice.
- (3) Reading and disposal of any unapproved minutes.
- (4) Reports of officers.
- (5) Reports of committees.
- (6) Election of inspectors of election.
- (7) Nomination and election of members of the Board of Administration.
- (8) Old business.
- (9) New business.
- (10) Adjournment.

I. PROVISO. Provided, however, that until the Developer has completed all of the contemplated improvements and closed the sales of all of the units of the Condominium, or until the Developer elects to terminate its control of the Condominium, the proceedings of all meetings of members of the Association shall have no effect unless approved by the Board of Administration.

J. MINUTES. The minutes of all meetings of unit owners shall be kept in a book available for inspection by unit owners, or their authorized representatives, and board members at any reasonable time. The Association shall retain these minutes for a period of no less than seven (7) years or such other period of time as may be prescribed by Florida Statute 718.112 (2)(e) or any successor statute.

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K. PRESIDING OFFICER. The chairman of all annual and special meetings shall be the chairman of the Board of Administration, if such an officer has been elected; and, if none, or if he is absent, the President shall preside. In the absence of the presiding officer, the Vice President shall preside and, in his absence, the board members present shall designate one of their number to preside.

ARTICLE IV

BOARD OF ADMINISTRATION

A. MEMBERSHIP. The affairs of the Association shall be managed by a Board of Administration, consisting of not less than three (3) nor more than seven (7) persons, the exact number to be determined at the time of election; provided, however, that until the time provided for in Article III (I) above, the Developer shall determine the number of members of the Board of Administration (not to be less than three (3)).

B. ELECTION. Election of Board Members shall be conducted in the following manner:

(1) In accordance with the Declaration and Articles of Incorporation, the first selection of board members shall be made by the Developer. The Developer, in all elections of board members and appointments of board members, shall enjoy the rights reserved to it in the Declaration of Condominium.

(2) Elections of board members shall be held at the annual members' meeting or in accordance with the Declaration and/or in accordance with the Condominium Act.

(3) The Developer shall appoint such board members as provided in the Declaration of Condominium and/or Articles of Incorporation.

(4) Any unit owner, any partner of a unit owner and any stockholder of a corporate unit owner, whether or

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not such party has been designated as a voting member for such unit, is entitled to be a member of the Board of Administration, except that no unit other than one owned by the Developer may be represented by more than one (1) person on the Board of Administration.

O(5) A nominating committee of three (3) members shall be appointed not less than twenty (20) days prior to the annual member's meeting. The committee shall nominate one (1) person for each member of the Board of Administration then serving, except as to Board memberships to be filled by appointment by the Developer. The nominating committee shall be comprised of at least one non-Board member and any person who serves on the nominating committee may be nominated for Board membership and be elected to and hold office as a member of the Board of Administration. Nominations for new Board memberships and nominations in addition to committee nominations, may be made from the floor.

(6) The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, with each unit voting being entitled to cast its votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

(7) Except as to vacancies created by removal of Board members by unit owners, vacancies in the Board of Administration occurring between the Annual Members' Meetings shall be filled by the remaining Board members.

(8) Any Board members, except one elected or appointed by the Developer, may be removed by concurrence of two-thirds (2/3) of the total votes of the Association at a special meeting of the members called for that purpose.

The vacancy in the Board of Administration so created shall be filled by the members of the Association at the same meeting.

(9) Board members may resign by delivering a written resignation to the Secretary of the Association. Such resignations shall be effective the earlier of five days after receipt or upon acceptance by the balance of the board members.

(10) More than three (3) consecutive or more than four (4) total absences from regular meetings of the Board of Administration in one year, unless excused by resolution of the remaining board members, shall constitute an automatic resignation. The transfer of title of his unit by a board member (or by the partnership, corporate or trust of which such board member is associated) shall automatically constitute a resignation, effective when such resignation is accepted by the Board of Administration, and no such board member shall continue to serve on the Board of Administration. The provisions of this paragraph (10) shall not apply to board members appointed by Developer.

C. TERM OF SERVICE. The term of each board member's service shall extend until the next annual meeting of the members and, subsequently, until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided. Provided, however, that unit owners may elect board members for terms of two (2) years or three (3) years in order to stagger the elections of board members and provide for greater continuity in board membership.

D. ORGANIZATION MEETING. The organization meeting of a newly-elected Board of Administration shall be held within ten (10) days of the election of the new board at such place and time as shall be determined by a majority of the board members. Notice of the meet-

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ing shall be given to each board member personally or by mail, telephone or telegraph, at least two (2) days prior to the day named for such meeting, unless such meeting is held immediately following the meeting at which the new board members are elected.

E. REGULAR MEETINGS. Regular meetings of the Board of Administration may be held at such time and place as shall be determined, from time to time, by a majority of the board members. Notice of regular meetings shall be given to each board member personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting unless such meetings are held by the board on a regular and periodic basis so that the day and time and place are known in advance, (e.g., at 8:00 p.m. on the second Tuesday of each month);

F. SPECIAL MEETINGS. Special meetings of the board members may be called by the President and must be called by the Secretary at the written request of one-half (1/2) of the board members. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting except in the case of emergency.

G. WAIVER OF NOTICE. Any board member may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

H. QUORUM. A quorum at Board of Administration meetings shall consist of a majority of the entire Board of Administration. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Administration, except when approval by a greater number of board members is required by the Declaration of Condominium, the Articles of Incorporation, or these By-Laws.

I. ADJOURNED MEETINGS. If at any meeting of the Board of Administration there be less than a quorum present, the majority of

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those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting at which a quorum is present any business that might have been transacted at the meeting as originally called may be transacted without further notice.

J. JOINDER IN MEETING BY APPROVAL OF MINUTES. The joinder of a board member in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such board member for the purpose of determining a quorum and for all other purposes.

K. PRESIDING OFFICER. The presiding officer of Board of Administration meetings shall be the Chairman of the Board if such an officer has been elected, and if none, or if he is absent, the President shall preside. In the absence of the presiding officer, the Vice President shall preside and in his absence, the board members present shall designate one of their number to preside.

L. ORDER OF BUSINESS. The order of business at Board of Administration meetings shall be:

- (1) Calling of roll.
- (2) Proof of due notice of meeting or waiver of notice.
- (3) Reading and disposal of any unapproved minutes.
- (4) Reports of officers and committees.
- (5) Election of officers (when vacancies are to be filled or at the organizational meeting).
- (6) Unfinished business.
- (7) New business.
- (8) Adjournment.

M. COMPENSATION. There shall be no board member's fees or salaries paid for holding the office of board member unless approved by a vote of the unit owners.

N. OPEN MEETINGS. Meetings of the Board of Administration shall be open to all unit owners and adequate notices of such meetings

shall be conspicuously posted on the condominium property at least forty-eight (48) hours in advance of each meeting marked for the attention of the unit owners, unless said meeting is an emergency meeting not allowing for the requisite notice to unit owners. The meeting notice of every board meeting where assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments. The fact that board meetings are open to attendance by unit owners shall not entitle unit owners to participate therein.

O. MINUTES. The minutes of all meetings of the Board of Administration shall be kept in a book available for inspection by unit owners, or their authorized representatives, and board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years or such other period of time as may be prescribed by Florida Statute 718.112(2)(e) or any successor statute.

ARTICLE V

POWERS AND DUTIES OF THE BOARD OF ADMINISTRATION

All of the powers and duties of the Association existing under the Condominium Act; Declaration of Condominium, Articles of Incorporation and these By-Laws shall be exercised exclusively by the Board of Administration, its agents, contractors or employees, subject only to approval by unit owners when such is specifically required.

ARTICLE VI

OFFICERS

A. EXECUTIVE OFFICERS. The executive officers of the Association shall be a President, Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Administration and who may be pre-emptorily removed by vote of the Board of Administration at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary or an Assistant Secretary. The Board of Administration from time to time shall

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elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association. The President must also be a member of the Board of Administration. Other officers may, but need not be, members of the Board of Administration.

B. PRESIDENT. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties usually vested in the office of president of an association, including, but not limited to the power to appoint committees from among Board members and/or non-Board members from time to time as he in his discretion may determine appropriate to assist in the conduct of the affairs of the Association.

C. VICE PRESIDENT. The Vice President in the absence or disability of the President, shall exercise the powers and perform the duties of the President. He also shall assist the President generally and exercise such other powers and perform such other duties as shall be prescribed by the Board of Administration.

D. SECRETARY. The Secretary shall keep the minutes of all proceedings of the Board of Administration and the members in a businesslike manner and available for inspection by unit owners and the Board of Administration. He shall attend to the giving and serving of all notices to the members and board members and other notices required by law. He shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the Board of Administration or the President.

E. TREASURER. The Treasurer shall have custody of all property of the Association, including funds, securities and evidence of indebtedness. He shall keep the books of the Association in ac-

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cordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

F. ASSISTANT OFFICERS. There shall be assistant vice-presidents, assistant secretaries and assistant treasurers of the Association as determined from time to time by the Board of Administration. Each such officer shall have the normal and customary duties of such officer or such duties as prescribed by the Board.

G. COMPENSATION. No compensation shall be paid to any officer as a salary or remuneration for holding such office. The provision that board members and officers shall not receive a fee or salary for serving as such shall not preclude the Board of Administration from employing a board member or an officer as an actual employee of the Association nor preclude the contracting with such person for management of the Condominium. Nor shall these provisions preclude the payment of fees to such accountants, bookkeepers, attorneys or other such persons who shall be officers or members of the Board of Administration provided that such fees are for actual professional services rendered.

ARTICLE VII

FISCAL MANAGEMENT

The fiscal year of the Association shall be the calendar year, provided that upon vote of the membership, the fiscal year may be changed. The provisions for fiscal management of the Association set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

A. ACCOUNTS. The receipts and expenditures of the Association may be credited and charged to accounts under the following classifications as may be appropriate, all of which expenditures shall be common expenses:

- (1) Current expense, which shall include all receipts and expenditures within the year for which the budget is made including a reasonable allowance for contin-

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gencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year.

(2) Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

(3) Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

(4) Assessments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.

(5) Operations, which shall include the gross revenues from the use of the common elements, if any. Only the additional direct expense required by the revenue-producing operation will be charged to this account, and any surplus from such operation shall be used to reduce the assessments for current expense in the year following the year in which the surplus is realized. Losses from operations shall be met by special assessments against unit owners, which assessments may be made in advance in order to provide a working fund.

B. BUDGET. The Board of Administration shall adopt a budget for each fiscal year that shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices. The procedure specified in Florida Statute 718.112 (2)(f) or any successor statute shall be followed in adopting the budget. Until such time as unit owners other than the Developer are entitled

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to elect a majority of the members of the Board of Administration, the Board of Administration may omit from the budget all allowances for contingencies and reserves. The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications as provided in Florida Statute 718.12(2)(k) or any successor statute.

ASSESSMENTS. Assessments against the unit owners for their shares of the items of the budget shall be made for the fiscal year annually in advance on or before thirty (30) days preceding commencement of the fiscal year for which the assessments are made. The annual assessments shall be payable in advance in twelve (12) equal installments on the first day of each month of the fiscal year for which the assessments are made, provided, however, that initial unit owners who purchase their units from the Developer may be required to pay at closing a prorata portion of the current month's assessment payment attributable to the unit, plus the next ensuing monthly assessment in advance. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and installments of such assessments shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessments prove to be insufficient, the budget and assessments may be amended at any time by the Board of Administration, subject to limitations imposed by law. The unpaid assessment for the remaining portion of the fiscal year for which the amended assessment is made shall be paid in equal installments divided among the number of assessments remaining due within the fiscal year.

D. ACCELERATION OF ASSESSMENT INSTALLMENTS UPON DEFAULT.

If a unit owner shall be in default in the payment of an installment upon an assessment, the Board of Administration may accelerate the remaining installments of the assessment upon notice to the unit owner and then the unpaid balance of the assessment shall come due upon the

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date in the notice to the unit owner, or not less than fourteen (14) days after the mailing of such notice to him, whichever shall first occur. Interest on such accelerated assessments shall be charged at the maximum rate allowed by law from the due date stated in the notice. The lien in favor of the Association for unpaid assessments provided for in Article VII of the Declaration of Condominium shall also secure accelerated assessments; interest thereon and costs and attorneys fees incident to the collection thereof.

E. LATE CHARGES. In addition to acceleration of assessments and the charging of interest as set forth in the preceding paragraph, the Association may add to the amount of any unpaid assessments a sum of up to seventy-five dollars (\$75.00) as a late charge. No such late charge shall be made unless and until the unit owner shall be in default of the payment of an installment of an assessment for a period of not less than ten (10) days. Such late charges may be made upon acceleration as provided in the foregoing paragraph or in the absence of acceleration and the amount thereof shall be secured by a lien in favor of the Association in the same manner and to the same extent that the Association has a lien for the principal amount of the assessment.

F. ASSESSMENTS FOR EMERGENCIES; DEFICITS. Assessments for common expenses of emergencies or special assessments which are necessary because of operating deficits that cannot be paid from the annual assessments for common expenses shall be made only after notice of the need for such is given to the unit owners concerned. After such notice and upon approval by the membership of the Association at a duly called meeting, the assessment shall become effective, and it shall be due after thirty (30) days' notice in such manner as the Board of Administration may require in the notice of assessment.

G. DEPOSITORY. The depository of the Association shall be such bank or banks or other recognized financial institutions as shall be designated from time to time by the Board of Administration and in

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which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks or withdrawal slips signed by such persons as are authorized by the Board of Administration.

H. AUDIT. An audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the audit report shall be furnished to each member not later than sixty (60) days following the end of the fiscal year for which the audit is made, such audit to be in accordance with the provisions of Florida Statute 718.111(13) or any successor statute; provided, however, that the only audit and accounting that shall be required of the Association prior to the time that unit owners other than Developer are entitled to elect a majority of the members of the Board of Administration shall be made upon transfer of control of the Association by the Developer to the unit owners and the audit shall be furnished to the Association within 120 days thereafter and shall be in accordance with the standards of Florida Statute 718.301(4)(c) or any successor statute. The Association shall maintain accounting records for the Condominium according to the standards and subject to inspection by unit owners as prescribed by Florida Statute 718.111(2) or any successor statute.

I. FIDELITY BONDS. Fidelity bonding of all officers and members of the Board of Administration who control or disburse Association funds is required as long as the Condominium Act (Florida Statute 718.112(1) as of the date of preparation hereof) so mandates. The Association shall pay the cost of such bonding.

ARTICLE VIII

PARLIAMENTARY RULES

Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration of Condominiums, Articles of Incorporation or these By-Laws.

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ARTICLE IX

AMENDMENTS

These By-Laws may be amended in the following manner:

A. NOTICE. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

B. RESOLUTION. A resolution adopting a proposed amendment may be proposed by either the Board of Administration of the Association or by voting members of the Association holding not less than twenty percent (20%) of the votes of the Association. Proposed amendments shall be submitted to a vote of the members of the Association. Members not present in person at the meeting considering the amendment may express their approval or disapproval by proxy in the customary corporate form delivered to the Secretary at the commencement of or prior to the meeting. Except as elsewhere provided, such approval must be either by:

- (1) Not less than a majority of the Board of Administration and not less than a majority of the votes of unit owners casting votes at a meeting at which a quorum is present; or
- (2) Not less than two-thirds (2/3) of the votes of the unit owners at a meeting at which a quorum is present; or
- (3) Until the first election of all members of the Board of Administration by unit owners other than the Developer, only by all of the members of the Board of Administration.

C. PROVISO. Provided, however, that no amendment shall discriminate against any unit owner or against any unit or class or group of units unless the unit owners so affected shall consent, and provided, further, that no amendment shall be valid if made without the Developer's approval during the period the Developer holds any units for sale in the Condominium. No amendment shall be made that is

in conflict with the Articles of Incorporation or the Declaration of Condominium.

D. EXECUTION AND RECORDING. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the these By-Laws, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the public records of Palm Beach County, Florida.

ARTICLE X

RULES AND REGULATIONS

A. COMMON ELEMENTS AND ASSOCIATION PROPERTY. The Board of Administration may, from time to time, adopt or amend previously adopted administrative rules and regulations governing the details of the operation, use, maintenance, management and control of the common elements, limited common elements, property owned by the Association, and any facilities or services made available to the unit owners. A copy of the Rules and Regulations adopted from time to time, as herein provided, shall, from time to time, be posted in a conspicuous place.

B. CONDOMINIUM UNITS. The Board of Administration may, from time to time, adopt or amend previously adopted Rules and Regulations governing and restricting the use and maintenance of the condominium units, provided, however, that copies of such Rules and Regulations, prior to the time the same become effective, shall be posted in a conspicuous place on the Condominium property, and/or copies of same shall be furnished to each unit owner.

C. CONFLICT. In the event of any conflict between the Rules and Regulations adopted, or from time to time amended, and the Condominium documents, or the Condominium Act, the latter shall prevail. If any unreconciled conflict should exist or hereafter arise with respect to the interpretation of these By-Laws and the Declara-

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tion of Condominium to which these By-Laws are attached, the provisions of said Declaration shall prevail.

D. UNANIMOUS APPROVAL. All Rules and Regulations adopted or amended pursuant to this Article X shall be approved either:

(1) By a majority of the board members and the Developer while Developer has a representative on the Board, or

(2) By unanimous vote of the Board thereafter. In the absence of unanimous vote of the Board of Administration, the adoption or amendment of any Rules and Regulations may be submitted to a meeting of the membership of the Association and adopted upon a majority vote thereat.

ARTICLE XI

ACQUISITION OF UNITS

A. VOLUNTARY SALE OR TRANSFER. Upon receipt of a unit owner's written notice of intention to sell, as described in Article XIII of the Declaration of Condominium, the Board of Administration shall have the full power and authority to consent to the transaction, as specified in said notice, or to disapprove of same, or to designate a person other than the Association as designee, pursuant to the provisions of said Article without having to obtain the consent of the membership thereto. The Board of Administration shall have the further right to designate the Association as being willing to purchase upon the proposed terms, upon adoption of a resolution by the Board of Administration recommending such purchase to the membership, but notwithstanding the adoption of such resolution and such designation by the Board of Administration, the Association shall not be bound and shall not so purchase, except upon the authorization and approval of the membership of the Association.

B. ACQUISITION ON FORECLOSURE. At any foreclosure sale of a unit, the Board of Administration may, with the authorization and

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approval of the affirmative vote of the membership of the Association, acquire in the name of the Association, or its designee, a condominium unit being foreclosed. The term "foreclosure", as used in this paragraph, shall mean and include any foreclosure of any lien, excluding the Association's lien for assessments. The power of the Board of Administration to acquire a condominium unit at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of the Board of Administration or of the Association to do so at any foreclosure sale, the provisions hereof being permissive in nature and for the purpose of setting forth the power of the Board of Administration to do so should the requisite approval of the voting members be obtained. The Board of Administration shall not be required to obtain the approval of unit owners at the foreclosure sale of a unit due to the foreclosure of the Association's lien for assessments under the provisions of the Declaration of Condominium and these By-Laws notwithstanding the sum the Board of Administration determines to bid at such foreclosure sale, or upon a conveyance to the Association in lieu of foreclosure.

ARTICLE XII

MISCELLANEOUS

In the event of the invalidity of any provision hereof, same shall be deemed stricken from this instrument which shall continue in full force and effect as if the offending provision were never a part hereof.

Where appropriate, the use of one gender in these By-Laws shall include all other genders.

These By-Laws are hereby executed by two (2) officers of the Association to indicate approval and adoption hereof by the Board of Administration.

Martin Bonant
PRESIDENT

John B. Dunkle
SECRETARY

RECORD VERIFIED
PALM BEACH COUNTY, FLA.
JOHN B. DUNKLE
CLERK CIRCUIT COURT